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Peace on its way, says Gen. Aoun

Hoss optimistic

BEIRUT, June 26, (Reuters): Christian General Michel Aoun said today peace was on its way to war-shattered Lebanon and that a new settlement was being worked out.

"From now on the (security) situation will improve a lot," Aoun said in an interview with Reuters at the battered presidential palace he has refused to vacate in the Christian suburb of Baabda.

Prime Minister Selim Hoss said today Aoun could be close to recognising the country's Syrian-backed government.

"There have been of late certain signals that General Aoun may very well be ready to take a few steps in the direction of the legitimate authorities," he told reporters during a visit to Bahrain with internationally-recognised Lebanese President Elias Hrawi.



Death threat

A death threat has been made against South African apartheid fighter Nelson Mandela while he is on his 12-day trip of the United States. Cable News Network (CNN) reported yesterday.

It said there had been intelligence reports that an assassination attempt would be made against the 71-year-old black nationalist, currently in Washington on the third day of his eight-city US tour.

In Boston before arriving here, Mandela's wife, Winnie, cancelled an appearance after a bomb threat was reported.

Security has been tight throughout Mandela's visit so far, which has also included stops in New York and Boston. Picture shows Mandela raising his arms to acknowledge a standing ovation during a joint meeting at the Capitol. (Reuters wirephoto) (See also Page 4)

NEWSWATCH

Indians flee Liberia: Over 2,000 Indians in Liberia have taken refuge in Sierra Leone, Britain and other countries following escalation of conflict between troops of President Samuel Doe and Charles Taylor National Patriotic Front of Liberia.

Rebels have intensified attacks despite mid-June ceasefire.

There are more than 3,500 Indian passport holders and equal number of Indian origin people in Liberia. (Kuna) (See also Page 7)

Iraq reverses decision: The Iraqi National Olympic Committee says it has reversed its decision to boycott the Arab games in Syria in November, the government-run media reported yesterday.

The decision came amid efforts by Saudi Arabia, Egypt and other Arab countries to persuade Iraqi President Saddam Hussein and Syrian President Hafez Assad to end an 11-year-old rift. (AP)

Proposal to move talks to Egypt: A proposal has been made to move the dialogue between the United States and the Palestine Liberation Organisation, if and when it is resumed, to Cairo from the Tunis. A newspaper said yesterday.

The state-owned Al Gomhouria also quoted the Egyptian ambassador to Washington as saying the United States suspended the dialogue with the PLO last week to forestall harsher congressional action that would have called off the talks irrevocably. (AP)

Tiger base bombed

Battle rages for stronghold

COLOMBO, June 26, (AP): Air force planes firebombed and strafed residential areas and killed an unknown number of civilians in a battle for a strategic fort in the north, Tamil Tiger rebels claimed today.

At least 196 people died as rebels and government forces fought for control of Tamil-dominated areas in the north and east, military officials and residents said.

The charred bodies of at least 100 Tamil Tiger rebels were found in an eastern town and 50 policemen were massacred by the rebels in the north, military officials and residents said.

In addition, the military said it had killed 41 rebels and lost five soldiers in a mine explosion.

The deaths raise to 1,626 the number of combatants killed in fighting since June 11, when the rebels repudiated a 13-month-old ceasefire with the government and began attacking police stations and army camps.

Residents of Kalmunai, an coastal town 230 kms (143 miles) east of Colombo, said they found the bodies of 100 Tiger rebels in burned shops and houses. The rebels are believed to have died when the army wrested control of the town after heavy fighting.

(Continued on Page 2)

Iraq for higher price

Hammadi hints at Arab oil summit; Opec losing \$5b monthly

KUWAIT, June 26, (Agencies): Opec heavyweight Iraq today rejected calls by the United Arab Emirates and Kuwait for a bigger share of the oil market and said the organisation should work instead to increase prices by nearly 40 per cent.

"There should not be a review of Opec members' quotas before a fair oil price is reached. In my view a fair price is definitely not below \$25 a barrel," Iraqi Deputy Prime Minister Saadoun Hammadi told a news conference here.

He identified the UAE as the main producer ignoring the Organisation of Petroleum Exporting Countries' production guidelines which are meant to reverse a 30 per cent slide in oil prices so far this year.

In Baghdad, Iraqi Oil Minister Issam Al Chalabi said today that Opec was losing \$5 billion each month and blamed overproduction for sagging oil prices.

"Opec's actual loss caused by the drop in oil prices is about 150 million each day, or about \$5 billion per month," he told the official Iraqi News Agency, INA.

He said the biggest losers were the major Arab oil producers such as Saudi Arabia and Iraq, as well as the UAE and Kuwait.

Opec's current "minimum reference" price is set at \$18 a barrel but prices languish at between \$14 to 15 because of the glut.

"I believe that prices will go up to \$18 if there is a cut of 1.5 million barrels by Kuwait and the Emirates," Hammadi said, today in Kuwait.

He said Western oil consumers would be prepared to pay \$25 per barrel and this could be achieved provided Opec showed solidarity and restrained output. "I don't consider \$25 a high price by any standard."

"It said two days ago that the UAE was not adhering to its quota of 1.095 million barrels per day as it produces about two million. I still say the same," Hammadi told the news conference held in the Iraqi Embassy.

He said an Arab oil summit might be needed if weak oil prices persisted and it urged a tight lid on output to raise prices by nearly 40 per cent.

"Such deterioration in oil prices requires a firm stance by policy-makers and that might require convening a summit meeting of Arab oil exporting countries," Hammadi said.

But he said the idea of a summit was not discussed during his current Gulf tour.

Hammadi was speaking after meeting with His Highness the Amir Sheikh Jaber Al Ahmed Al Sabah as part of a tour that has also taken him to the United Arab Emirates, Qatar and Saudi Arabia.

He said Kuwait wanted an increase in its Opec share. The UAE also wants its quota raised to reflect the strength of its proven oil reserves. It claims they are the second largest within Opec, after Saudi Arabia.

Both Gulf Arab countries strongly advocate keeping Opec's official reference price at \$18 a barrel to encourage world demand for oil.

But Iraq has consistently pushed for higher prices and Hammadi, who is responsible for economic affairs on Iraq's Revolutionary Council, said demand on oil was expected to rise anyhow.

(See Page 11) See also Page 15

Cut in July oil price likely

By Jadranka Porter Arab Times Staff

JAPANESE oil buyers will likely pay 70 cents less per barrel of Kuwaiti crude in July, according to Kuwait-based Japanese oil sources.

The agreement between Kuwait Petroleum Corporation and Japanese clients, expected to be finalised today, follows comparable discounts offered by Saudi Arabia and Iran.

Although the prices are fixed on a quarterly basis, hoping for stronger prices later in the summer, is said to be insisting on a contract clause that leaves the door open for an upward adjustment of rates in August and September.

The Japanese buyers were hoping for a larger discount but said they were not "too disappointed."

"This is apparently the best they could do," said one trader. The price for July liftings will equal Oman/Dubai spot average minus \$1.45 per barrel.

A source said Kuwait was forced to follow the market after Saudi Arabia offered a 70-cent discount for July liftings of its Arabian medium fixing it at Oman/Dubai average minus \$1.35. With the supply outstripping demand worldwide, oil buyers are in a stronger bargaining position.

In August and September Kuwait will follow price movements of Arabian medium (Continued on Page 10)

Yugoslavia beat Spain 2-1; England defeat Belgium 1-0



Iranian rescue workers and volunteers try to pull a victim's body out of rubble in Zanjan. (Reuters wirephoto)

Shamir qualifies 'pledge'

EC hits rights

OCCUPIED JERUSALEM, June 26, (Agencies): Prime Minister Yitzhak Shamir said today that Israel's policy on settlement of Soviet Jewish immigrants does not block them from moving to the occupied territories.

Shamir's statement on Israel Radio came after two days of speculation that Israel intended to prevent Soviet Jews from settling in the occupied West Bank and Gaza Strip in reaction to international criticism.

The English-language news report characterised Shamir's remarks as a clarification of a statement two days earlier by Housing Minister Ariel Sharon.

Sharon, a well-known advocate of the settlements, caused surprise when he said that Israel would not move the immigrants "beyond the green line," a reference to Israel's pre-1967 borders with the West Bank and Gaza.

But Israel Radio quoted Shamir as saying this was no change in the previous policy in which Israel would not encourage settlers to move to the territories but would not block them from doing so.

The radio then broadcast an interview with Shamir in which he said of Sharon's statement:

"Of course, he said that nobody will be sent by us to certain territories and to certain locations. But everybody in a democratic country has the right to settle wherever he wishes."

Shamir's right-wing Likud favours retaining the occupied territories, considering them part of the historic "land of Israel."

He added in the radio interview: "The Israeli government doesn't have any policy to convince the new immigrants to go here or there."

The Hebrew daily Maariv also quoted Shamir as saying that Sharon's statement did not apply to Arab East Jerusalem, which was annexed by Israel after it was captured along with the West Bank and Gaza Strip in the 1967 Middle East war.

The immigration wave of Soviet Jews, projected to total up to 150,000 this year, has raised fears among Arabs that many would move to the occupied territories, forcing out Palestinians.

The 12 European Community leaders today forcefully condemned Israel, saying its human rights record in the occupied territories was lamentable.

In a sharply worded statement, they pledged to double aid to Palestinians in the occupied territories and open a permanent EC office there.

At the end of their two-day summit, in Dublin, the 12 EC leaders also criticised Israel for resettling Soviet Jews in the occupied territories.

Reprimanding Israel in strong language, the 12 EC leaders said "the lamentable position concerning the observance of human rights in the occupied territories has led the community and its member states to set out repeatedly their concern."

They urged all signatories to the Geneva Convention to ensure that Israel respects Palestinian human rights in the occupied territories. "It has notably failed to do so in a number of areas," they said.

15 found alive under rubble

Hope abandoned

TEHRAN, June 26, (Agencies): Another 15 survivors were found under the rubble in a quake-hit town in northwestern Iran, but French and other relief teams were expected to pull out within two days, diplomats said today.

The 15 survivors, of different ages, were found yesterday under the rubble in Manjil, some 140 miles (220 kms) northwest of Tehran, on the fifth day after Iran's worst ever earthquake, measuring 7.7 on the Richter scale, hit the region.

Diplomatic sources said French relief teams with a total of 205 doctors, medics and other personnel, decided to pull out of the disaster area because there was very little for them to do.

Tehran Radio said helicopters were now dropping relief supplies to survivors in high mountain villages still inaccessible by road. Earlier reports said landslides, caused by the original quake and hundreds of aftershocks, had blocked roads in the area.

The official Islamic Republic News Agency said foreign relief supplies continued to roll in, and 30 plane loads landed at Tehran's Mehrabad airport today, bringing the total to 171 since relief first began arriving on the weekend.

Tehran University's geophysics centre reported that a tremor, measuring 4.9 on the Richter scale, shook southeastern Iran today but caused no casualties or damage.

The centre has reported more than 360 aftershocks since the killer quake. Most of them struck the disaster zone, hampering rescue operations.

Rescuers have now reached the last earthquake-stricken area.

(Continued on Page 2)

DAY BY DAY

WHO desired the boycott... the shareholders or the chairman? We received the following reply from the General Manager of Shua'a Company, Rodwan Termini.

Mr. Editor-in-Chief, Seyassah/Arab Times.

Dear Sir:

Under the Day By Day column on 24.6.1990, Mr. Zahed Matar wrote that Shua'a company decided to publish its annual budget as an advertisement in Seyassah, but the company chairman, Mr. Abdul Aziz Al Sager, ordered that the advert be published in Al Qabas and Al Watan dailies and Matar attributed this to Mr. Sager's not liking Seyassah's political line.

In this context, the Arab General Investments Co. Ltd., Shua'a would like to affirm that Matar's claim is totally baseless. The company's criteria for advertising is that it chooses two newspapers only to advertise in - in each Arab country with enough number of shareholders - is the degree the shareholders are served by the advert in accordance with experiments.

The best evidence for this is that Shua'a had published its budget in Seyassah in 1982 and 1983 and never repeated this again since 1984. It is to be understood that the concerned department in the company, in accordance with the expected publicity returns acts independently and affirms that the chairman of the company has never interfered in this issue.

We hope our reply will be published in the same page in accordance with the publication laws in force in Kuwait.

Mr. Redwan Termini - just for clarification:

First: We hope that the "Shua'a" company would not involve itself in this issue which looks to be political rather than commercial.

(Continued on Page 10)



IRA claims

Irish Republican Army guerrillas claimed responsibility yesterday for a bomb which badly damaged an exclusive London Club used by members of Britain's ruling Conservative Party. Picture shows a policeman removes glass pieces from a building opposite to the Carlton Club. (Reuters wirephoto)

See also Page 5

Five killed in Kashmir violence; rebels getting stronger: Saxena

SRINAGAR, June 26, (Reuters): India's Kashmir Governor, Girish Saxena, said today he believed separatist violence could intensify as more and better-equipped militants crossed the border from Pakistani territory.

"Maybe three or four thousand are waiting to cross the border. Some will filter through," Saxena said in an interview at his lakeside residence in Srinagar, summer capital of India's Jammu and Kashmir state.

"The number of arms and trained terrorists will increase. We'll have to find the right responses," he said.

Muslim rebels killed at least five Hindus today, including a retired army serviceman and his wife who were hanged to death from a tree in their village, police said.

Brj Nath Kaul 45, and his wife were hanged to death

early today on the outskirts of Harmian village, 25 miles (40 kms) south of Srinagar. Frightened residents left the bodies hanging in the tree for five hours until police removed them, witnesses said.

Kaul, a retired military serviceman, and his wife apparently were killed because they were suspected of being police informants, police said.

At least three other Hindus were slain today, including Satish Kumar, who was found hanged in Gandelbal village (12 miles (20 kms) north of Srinagar). The Hizb Ul Mujahideen, one of the main Muslim groups fighting for independence, took responsibility for the killing and claimed Kumar worked for Indian intelligence.

A spokesman for one of the main militant groups,

Hizbul Mujahideen has said it plans a new offensive next month against Indian security forces who were sent into Kashmir five months ago to crush separatist revolt.

The spokesman said 15,000 rebels trained by Afghan rebels would begin filtering into India's Muslim-majority Kashmir valley now that snows have melted in the Himalayan passes.

"We are having encounters with the terrorists every day near the border," Saxena said, referring to the ceasefire line that divides Kashmir between India and Pakistan.

"Large, very large, quantities of ammunition and explosives have been captured, anti-tank and anti-personnel mines, rockets and rocket-launchers, automatic weapons, explosives and, lately, field radio sets."

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INTERNATIONAL

Quake

villages in northwest Iran and hold little hope of finding any more people alive.

But the grim search for survivors will continue for another week, a senior official of the Iranian Red Crescent said today.

The shattered villages, in mountains rumbling from repeated aftershocks, were isolated for days after last Thursday's quake which killed some 50,000 people.

"All the villages are uncovered now but I don't believe any people will be found any more," Sadreddin Sadr, head of the Red Crescent's international affairs department told Reuters.

"Within the next week or so rescue operations will come to an end."

Roads leading to Roudbar and Manjil (two of the worst hit towns in Gilan province) are insecure because of aftershocks and landslides in the surrounding mountains, doubling the problems of relief teams," the Iranian news agency Irna said.

Iranian television said explosives were being used to try to move fresh landslides on mountain roads, triggered by aftershocks.

Thousands of rescuers have been toiling around the clock for almost six days to try to find survivors in the rubble of houses in more than 300 towns and villages in Gilan and neighbouring Zanjan provinces, about 200 kms (130 miles) northwest of Tehran.

Several rumours ran through the Iranian capital today of survivors being found but the reports could not be confirmed. Irna said mechanical diggers were recovering victims "or more properly the remains of victims from the piles of rubble and half-ruined houses, and are wiping out the last vestiges of Manjil town and nearby villages."

"Once thriving Manjil ... has now turned into a vast ruinous graveyard filled with the heart-rending wails of the few remaining survivors," Irna said.

Some 500,000 Iranians are now homeless and Iranian air

force helicopters have been dropping supplies and tents to villages cut off from the rest of the world by landslides.

Sadr said that material support was still welcome but enough doctors and rescue workers were at the scene.

Nearly 40 planes from abroad arrived in Tehran today, part of an enormous international reaction to the earthquake. Some 86 countries have pledged aid and Irna said a total of 171 plane-loads of relief aid had arrived, including 11 sent by Saudi Arabia.

In central Tehran, outside the Red Crescent headquarters, food and medicine were piled up waiting to be driven to the quake zone.

Relief workers have begun building 10,000 pre-fabricated homes in Manjil and Roudbar. Both towns are prone to high winds that make tents vulnerable for use as temporary homes.

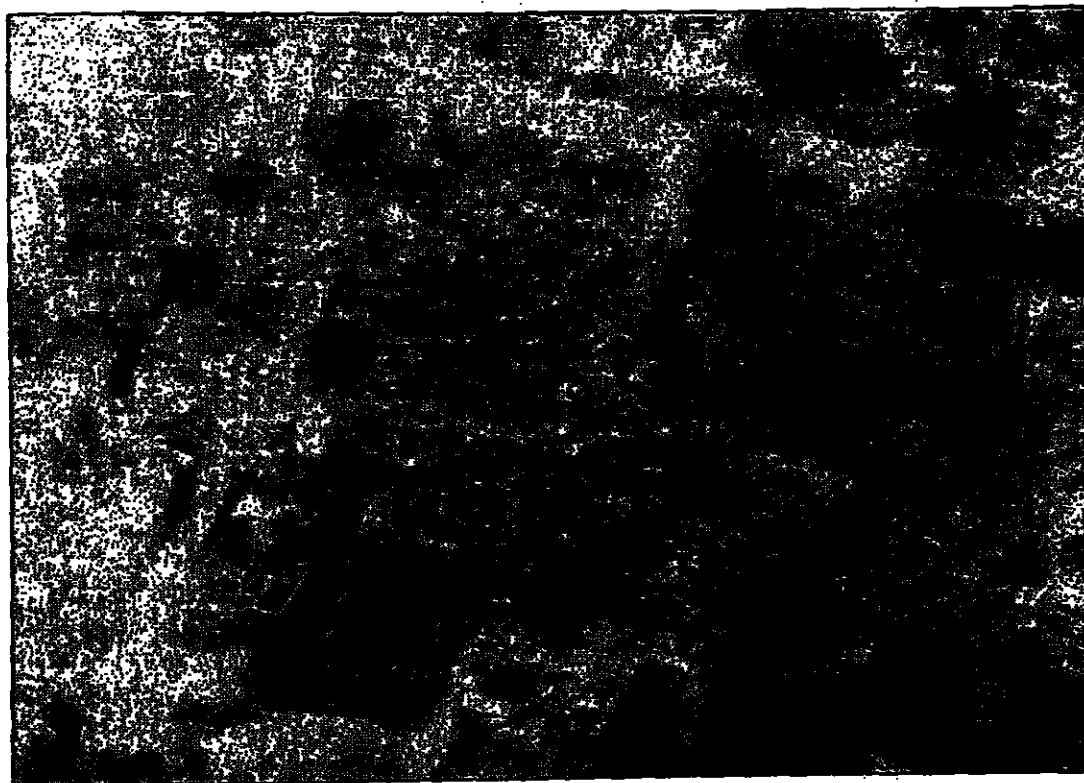
The English language daily Tehran Times, quoted foreign relief workers as saying they feared epidemics could strike survivors unless pure water supplies were guaranteed. Rivers supplies are being polluted by rotting animal carcasses.

Some of the drugs sent to Armenia for victims of the 1988 earthquake were useless or even dangerous, experts say, and they warn of similar problems with emergency supplies now being sent to Iran.

The Armenian shipments included pharmaceuticals that came from stocks of expired drugs, and others of a type no longer sold, according to an article in the respected British medical journal, the Lancet.

Iran's death order against British novelist Salman Rushdie will not be lifted just because he has pledged money to help Iranian earthquake victims, a senior parliamentarian said today.

Ayatollah Sadeq Khalkhali, known as the "hanging judge" in the early days of the Islamic revolution, told Parliament Iran was grateful to the people of the United States, Britain and France for their help.



An aerial view of completely flattened Roudbar town after the earthquake. (Reuter wirephoto)

Quakes travel as waves through soil

Building shells stand

RUDBAR, June 26, (AP): Buildings destroyed in Iran's killer earthquake crumbled and fell in many different ways.

Many buildings stand roofless, and some roofs hang with little beneath.

The three-story community health centre was reduced to its steel frame — the brick between the steel crumbled with each jolt from the earth. A ceiling fan, still suspended from a fragment of the former structure, circles crazily in the open air, driven by the wind. Electricity has been cut off.

At another home, a single wall fell away revealing an interior and furniture like a doll house.

A house with blue-framed windows was rocked back on its

foundations so that its second-floor balcony faces the sky.

Some homes just have huge cracks on the walls and glass broken out of windows. Others have a metre-wide (yard-wide) hole in the wall where the brick fell out.

People inside their homes were in the greatest danger of being buried, but people outside ran the risk of being hurt or killed by stone from falling buildings or landslides cascading down steep mountains above some of the towns.

Earthquakes travel as waves through the soil and rock and buildings unable to move with the ground crumble as the tremors become intense.

Most of the Iranian buildings

destroyed were one or two-story homes built of brick or unreinforced concrete.

The nearby town of Manjil is virtually a field of rubble. Bricks and stones that were houses scattered in all directions.

In this city of Rudbar on the banks of the Sefid (white) river, most buildings were destroyed and those that survived were seriously damaged.

Step a yard (metre) up from the curb that used to be in front of people's store and you will find yourself on its tar roof.

Life in this mountain city about 180 miles (300 kms) northwest of Tehran has moved onto the street. The houses are no longer habitable after last week's earthquake.

East-West conference agrees on outlines of human rights draft

COPENHAGEN, June 26, (Reuters): Delegates at the CSCE human rights conference reached broad agreement yesterday on a draft document extending legal protection to an array of rights in the new democracies of Eastern Europe.

Experts from 35 nations in Europe and North America worked through the weekend to produce the draft, which under the rules of the CSCE (Conference on Security and Co-operation in Europe) has to be worked out by consensus.

The central element of the draft, on multi-party democracy and the rule of law, "is a major step beyond the existing CSCE document," a member of the Austrian delegation told Reuters.

But other issues, notably the protection of the rights of national minorities, have proved more controversial and some proposals had to be diluted or shelved to achieve agreement.

The meeting, concentrating on human rights aspects of the CSCE process set up

to monitor the 1975 Helsinki final act, is due to end on Friday and the document must be formally approved by governments of the 35 states.

"I'm confident we will have a final text that will represent major progress," the Austrian delegate said. At the last CSCE human rights meeting, in Paris last year, controversy over Romania's rights record meant no final document could be agreed.

A major aim of the conference was to ensure that last year's revolutions in Eastern Europe, leading to the end of communist domination, the formation of political parties and free elections in almost every country, were enshrined in law.

The minorities issue has been fraught with tension. As delegates sought agreement on delicately-worded documents, members of numerous minority groups voiced their human rights grievances at a "parallel conference" in the Danish capital.

Lanka

(Continued from Page 1)

ing last week.

Military officials, speaking on condition of anonymity, claimed to have killed 41 rebels in recent fighting. These included at least 244 rebels killed in an army attack on a guerrilla camp near Trincomalee, also on the east coast, they said.

A land mine explosion in the north killed at least five soldiers, they said.

Also in the north, 50 policemen were captured by the rebels and killed, they said.

In the northern city of Jaffna, the rebel stronghold, the government used bombers and a helicopter gunship to pound residential areas around the strategic Jaffna fort, in which 270 soldiers and policemen have been besieged since the fighting began.

"The sorties continued time and again," said a rebel statement telexed to newspaper and news agency offices in Colombo. Five air force bombers and a helicopter gunship used 55-kilograms (120 pounds) bombs and 30-kilograms (65 pounds) incendiary bombs in the attack, it said.

"The whole area is ablaze, which hampered the recovery of the dead and wounded," the rebel statement said. "It is feared casualties are heavy in Jaffna city."

The rebel statement said "hundreds" of buildings near the Jaffna fort were set on fire in the attacks yesterday. Today, military officials, speaking on condition of anonymity, said air force planes were again bombing and strafing rebel positions.

Residents of the area say they fear the government's bombing and strafing raids would kill civilians. Air force planes dropped leaflets over the weekend urging residents near the fort to evacuate.

Military officials have said troops would try to avoid killing civilians.

"We are not hellbent on bombing and killing people," Defence Secretary Gen. Cyril Ranatunge said, adding that helicopter gunships would attempt to "pinpoint" their targets.

The Tamil statement also said government artillery from two other bases in the north, the Palali airtask and the Karainagar naval camp, had "bombed" residential areas near Jaffna.

There was no way to verify rebel or government claims independently because transportation and telephone services to the region have been cut off. But travellers reaching Vavuniya, just south of Jaffna, confirmed that heavy bombing and strafing operations had begun along the whole Jaffna peninsula.

Meanwhile, in army operations in the east, at least eight rebels were killed in two skirmishes early today near Kalladi village, south of Batticaloa city, the eastern capital.

In the east, troops clearing jungles and swamps around Batticaloa attracted sniper fire in which three rebels died. No soldiers were injured, the military said.

45 dead

Trains collide

CALCUTTA, India, June 26, (Reuters): Up to 45 people were feared dead after a goods train crashed into a passenger train in India's northern Bihar state, officials said today.

They said some 15 bodies had been found after yesterday's accident and 30 more were thought to be still buried in the wreckage.

The goods train ran into the back of a passenger train waiting to enter Mangra station, 560 km (350 miles) northwest of Calcutta.

Officials said initial reports suggested the brakes on the goods train failed. Railway workers told passengers to jump out moments before the accident, probably saving many lives, they said.

Landslide kills seven

DHAKA, June 26, (Reuters): At least seven people were killed in a landslide and hundreds were made homeless in the hill areas of Cox's bazaar in southern Bangladesh, officials said today.

The landslide last night was triggered by rain.

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NEWS IN BRIEF

Woman leaves \$100,000 for Palestinians: An Italian woman offered the Palestinian people all her wealth totalling \$100,000 in appreciation of their struggle for independence.

An Italian judge in the south western city of Trebisia said yesterday that he had informed the Palestine Liberation Organisation (PLO) of Eda Morrell's decision which she wrote in her will several years ago.

The 65-year-old woman, who died recently, had been deeply impressed by the heroic struggle of the Palestinian people for liberation from the Zionist occupation. (Kina)

Cyprus protests Bush remarks: The Cypriot government protested to the United States yesterday because a report to Congress by President George Bush said Turkish-Cypriot leader Rauf Denktaş's recent electoral victories bolstered his political position.

The Greek-Cypriot maintain that Denktaş's April reelection as president of the breakaway Turkish-Cypriot republic in the north of the island and his National Unity party's success in a parliamentary poll last month were achieved with the support of mainland Turkish settlers rather than Turkish-Cypriot islanders.

Turkish-Cypriot centrist and leftist parties opposed Denktaş and his party in both elections. They also claim Denktaş's victories were due to heavy Turkish government interference and the settlers' backing. (AP)

Seamen's fingers amputated: At least 27 South African seamen have had fingers amputated because of frostbite suffered as they laboured aboard Taiwanese fishing trawlers in the South Atlantic.

Cape Town attorney Sandra Liebenberg said she represented five men, who told of beatings and of being forced to work in refrigerated holds for up to 18 hours.

These are all manual labourers. Without their fingers, they will not be able to find other employment," she said.

A government spokesman said at least 500 South Africans, most of them black or coloured (mixed race), were employed on Taiwanese trawlers. Liebenberg said they usually earned no more than 500 rand (\$190) a month. (Reuters)

Brazil to put an end to kidnappings: Shaken by a sudden wave of kidnappings in Brazil, the government of President Fernando Collor de Mello has proposed a package of drastic measures to put an end to the crime spree.

Police say the kidnap wave is due to criminals switching out of drug trafficking but one of the alleged kidnappers says it is a result of banks having little money because of Collor's anti-inflation programme.

Kidnappers have seized 25 people in Rio de Janeiro alone this year and the city's nervous upper-class are fighting back with dogs, extra security guards and self-defence courses. (Reuters)

Gypsies seek recognition: Europe's gypsies are pressing for international recognition as a distinct minority without a homeland, a leader of the once-nomadic people said on Friday.

Representatives of Europe's gypsies, or Roma, appeared to the 35-nation Conference for Security and Co-operation in Europe for statistics a minority with ethnic and linguistic rights.

"The Roma are not interested in territory or leaving a state, but to be recognised in the cultural dimension by European countries," said Nicolae Gheorghe, a Romanian gypsy.

Estimates of the number of gypsies range up to 10 million.

Activists from Hungary, Romania and West Germany pressed their case to the conference, which is discussing a new declaration of rights for Europe's ethnic and national minorities. (AP)

Hungary votes for out of Warsaw Pact: Parliament voted overwhelmingly yesterday for Hungary's full withdrawal from the Warsaw Pact, the state MTI news agency reported.

The decision followed Prime Minister Jozsef Antall's June 5 announcement after a Warsaw Pact meeting in Moscow that Hungary wants to "restore full sovereignty over the Hungarian armed forces" and "transform its forces into a defensive organisation."

Bingo Day 6

86 57 12 29

Sikh militants raid

Arsenal looted

AMRITSAR, June 26, (AP): Sikh militants masquerading as security forces looted an arsenal in a railway station and kidnapped five policemen, officials said today.

Militants made off with 37 guns, including three machine-guns and 27 rifles, in the raid late last night, police Supt. Anil Sharma. Railway stations in India often store weapons used by railway police.

The raid occurred in Firozpur, 75 kms (46 miles) southwest of Amritsar, a frequent scene of fighting in the militants' bloody eight-year battle for a separate homeland in Punjab state.

Later Friday, a band of rifle-toting militants entered the station dressed as policemen.

Sharma said. First they cut electricity and phone lines, then they forced their way into the armory where they looted the weapons, he said.

After taking the weapons, they kidnapped five policemen, gunpoint and fled in jeeps. No shots were fired.

About 1,200 people have been killed so far this year by Sikh extremists in Punjab, a rich agricultural region in India's northwest.

The separatist movement for a Sikh homeland, known as Khalistan, grew out of Sikh charges of political and cultural discrimination by Hindus. Sikhs comprise only 2 per cent of India's 880 million people, but in Punjab they outnumber Hindus.



Honda G.M. for the Middle East Mr Ishihara

Honda General Manager for the Middle East, Africa and South West Asia Division visits Kuwait

Mr M. Ishihara is currently on a visit to Kuwait to discuss business development plans for Honda cars, motorcycles and power products with the top management of the Mutawa Al-Kazi Co. Ltd. Honda's sole Agent for the State of Kuwait.

Mr M. Ishihara joined Honda Motor Company Ltd, Japan in 1963 and has held senior positions in Europe, Indonesia and numerous other countries. This is his first visit to Kuwait since assuming the position of General Manager for the Middle East, Africa and South West Asia in March 1990.



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SAFEWAY - Farwaniya: First Floor Opening Hours: Sat-Tue: 10 AM-11 PM, Wed-Fri: 10 AM-12 Midnight
SAFEWAY - Fahaheel: First Floor Opening Hours: Sat-Tue: 10 AM-1 PM, 4 PM-10 PM, Wed-Fri: 10 AM-10 PM

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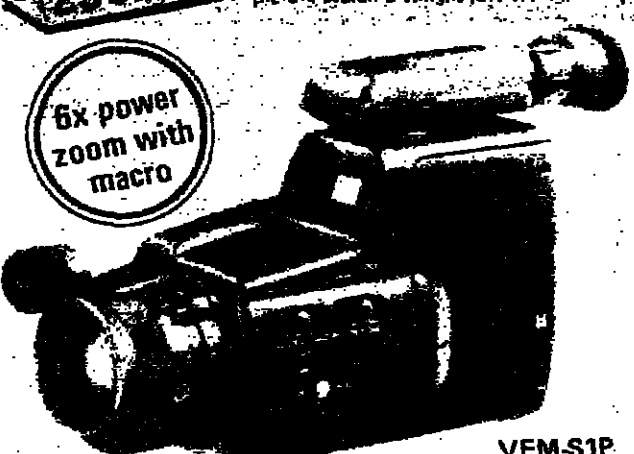


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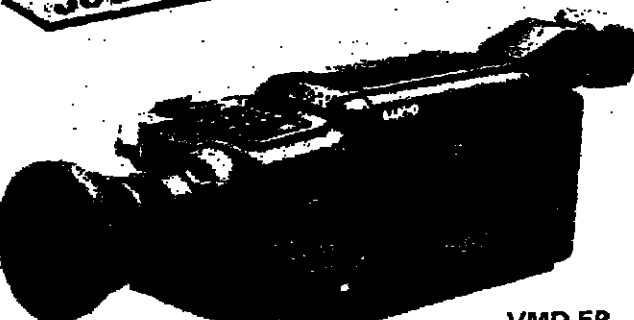
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Queen Elizabeth in Iceland

Queen Elizabeth accompanied by Iceland's President Vigdís Finnbogadóttir today June 25 through the centre of Iceland's capital city. The Queen and Duke of Edinburgh are on an official visit to Iceland. (Reuters wirephoto).

MacLaine recovers

In love with performing

PITTSBURGH, June 26, (Reuters): Shirley MacLaine's spiritual beliefs may have helped her see into past lives and traverse other-worldly planes, but her recovery from a serious knee injury has a more down to earth reason — a love of performing.

"I'm never going to be away from it," said the red-headed actress, dancer and writer.

MacLaine was in Pittsburgh for a six-day run of "Out There Tonight," her song and dance show that was put on hold at the end of April when the 56-year-old performer fell during rehearsal and tore a ligament in her right leg.

Forced to cancel some early dates on a planned international tour, MacLaine underwent surgery and intensive rehabilitation during May. While she pronounced herself fit for the show's reopening in June, the injury forced her to tone down her performing just a bit.

"I'm not going to jump up in the air and come down into splits anymore," she said, "but I should have changed that before I was injured."

In the show MacLaine performs both original material and song and dance routines from the musicals "Sweet Charity" and "Gypsy" as well as tributes to some favourite choreographers.

MacLaine will take the show to Atlantic City, New Jersey, Houston, Toronto, Vancouver. "I'm half Canadian, so I have to go up there and play for all my relatives" — Las Vegas, Los Angeles and Japan before finishing in November.

She seemed invigorated rather than intimidated by performing live, even though she has been more visible as a film actress, with close to 40 motion pictures to her credit.

"Have you ever been on a movie set? It is truly boring for someone who is really fast-paced and fast-thinking," the Academy Award winner said before her show's opening.

"I'm tired by four o'clock because I haven't done anything," she said of making movies.

"This keeps me feeling alive."

In recent films MacLaine has won critical accolades for playing eccentric characters. In fact, she said, she has had no trouble making the transition from playing younger women to what are diplomatically called "character" roles.

"I never was a beauty, never thought of myself as a beauty, so there was nothing for me to lose when my youth was gone," said the actress, who has worked steadily since she started dancing in New York chorus lines while still in high school.

"I was a character actress from the time I began, really," MacLaine played a crotchety character in the 1989 female ensemble movie "Steel Dawn" and an ageing perfectionist piano teacher in 1988's "Madame Sousatzka."

PEOPLE AND PLACES

EAST BERLIN: A Soviet army deserter took a family of four hostage at a camping area and was killed in a shootout with East German police at a roadblock, authorities said today.

The hostages were in the car with the deserter during the shootout and escaped injury, but a police officer was wounded in the exchange late Monday, East Germany's Interior Ministry said.

The deserter was armed with a submachine gun and 800 rounds of ammunition, the ministry said in a report released through the government news agency, ADN.

The man fled a Soviet garrison near Magdeburg and went to a camping area outside Burg, which is about 80 kms (50 miles) west of Berlin, where he abducted the married couple and their two children and fled by car, officials said.

A large-scale manhunt was launched, and the car was stopped at a police roadblock, where the deserter opened fire.

ATHENS, Greece: Angry gypsies yesterday shot a man wanted for the killing of a 17-year-old member of their community.

Six other alleged members of a gang charged with abducting and murdering the gypsy youth last March were remanded in custody later Monday as a public danger. One suspect is still at large.

Konstantinos Spiliadis, suspected of murdering the gypsy, was critically ill in the hospital after the gypsy band lured him to a deserted spot, beat him and shot him in the stomach, a police official said.

None of his gypsy attackers were arrested, said the official, speaking anonymously. He would not elaborate.

The 5,000-member gypsy community in Agia Varvara, a suburb west of Athens, has publicly vowed to avenge the shooting of Yannis "Marsellis" Tsatsanis, a rising local soccer star.

Last Saturday, police in riot gear held at bay outraged gypsies who had threatened to lynch five suspects after they were charged at a public prosecutor's office.

The gypsies repeated their call for blood the following day when several of the accused appeared before an investigating magistrate.

Petition

Free Sirhan: ME scholars

LOS ANGELES, June 25, (AP): A petition signed by Palestinian and Israeli Arab educators and government officials has been sent to a parole board urging the release of Sirhan B Sirhan, a Palestinian immigrant convicted of assassinating Robert F. Kennedy.

The petition sent to the board of prison terms suggests Sirhan's release could speed the Middle East peace process. It is signed by about 40 people including two members of Israel's Knesset and the mayors of Bethlehem and Nazareth.

"In the interest of the peace process, it's time to let him out," Sirhan's lawyer, Luke McKisack, said yesterday in a telephone interview before leaving for the state prison at Soledad. A parole hearing is set there for today.

Sirhan, 46, was convicted of gunning down Sen. Kennedy, the brother of the late president John F. Kennedy, in the Ambassador Hotel in Los Angeles on June 5, 1968. The assassination came minutes after the senator won the democratic presidential primary in California.

Trump gets \$20m to avoid default

NEW YORK, June 26, (Reuters): Developer Donald Trump, after weeks of negotiations, will get \$20 million in short-term bridge financing from his bankers today to make an overdue bond payment and avoid default of his Atlantic City Trump Castle Casino, banking sources said.

The bridge financing is part of an overall \$65 million loan the banks were trying to arrange to help the cash-strapped Trump meet his interest payments.

The last holdout on the loan, Dresdner Bank AG, did not go along with the loan package, but bankers said that they did not need the West German bank's support for the crucial \$20 million bridge-financing package.

'They left her to die'

Lawyer details jogger's horror as rape trial opens

NEW YORK, June 26, (AP): The teen-agers accused in the Central Park jogger case gang-raped and beat their victim and "left her to die" in a puddle of blood and mud, a prosecutor said yesterday.

Assistant district attorney Elizabeth Lederer described the horrors the

investment banker endured during the April 19, 1989, attack by a group of youths. She predicted the three defendants who went on trial yesterday would convict themselves with statements they made to police.

"They left her to die, naked and

stripped," Lederer told the jurors in opening statements in trial-level state supreme court.

"Every bone supporting her left eye was broken. She was in shock. She had cuts and bruises covering her body," Lederer said, adding that the victim had lost three-quarters of her blood.

When police found her, Lederer said, the victim was "moving and groping and bleeding heavily." She was naked except for a bra pushed up near her neck.

"There was a blood-soaked T-shirt around her mouth, obstructing her breathing," the prosecutor told jurors.

Her pulse had dropped to 40. "She was cold to the touch," Lederer said. The woman, making her nightly jog through the northern section of the park when attacked, miraculously survived but suffered brain damage and "has no recollection of what happened to her that night," Lederer said.

Attorneys for the defendants, Antron McCray, 15, and Raymond Santana and Yusef Salaam, both 16, were to present their opening statements later yesterday. They are being tried as adults but will be sentenced as juveniles.

The defendants are charged with attempted murder, rape, sexual abuse, assault, robbery and riot. If convicted, they could be sentenced to 10 years in prison.

Three other youths will also stand trial.

Lederer said the defendants were part of a larger group of 30 to 35 youths who entered Central Park the night of the attack specifically to "rob, beat and assault people." The three were also charged with assaulting two male joggers the same night.

The prosecutor told jurors that each of the defendants told police they participated in the attack and said "photographs show that the victims suffered the very injuries the defendants described having inflicted."

Lederer said McCray not only described his actions, he demonstrated it, showing police how he repeatedly kicked the young woman.

McCray's lawyer, Michael Joseph, said his client initially denied involvement in the attack, and then the police "added facts" because he was not telling them what they wanted to hear.

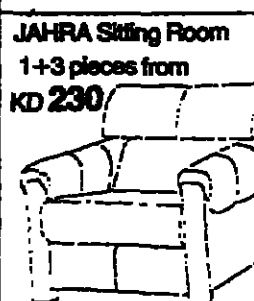
Defense lawyers also argued that there was no scientific evidence linking the defendants to the attack.

FAVRE LEUBA
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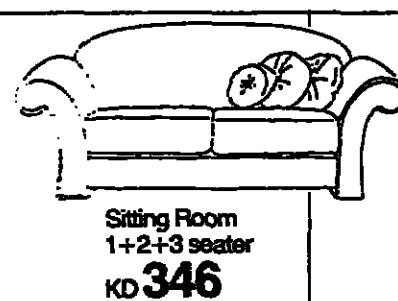
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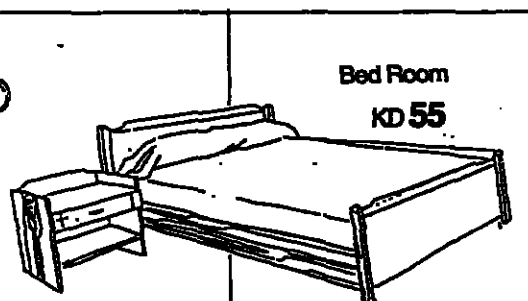
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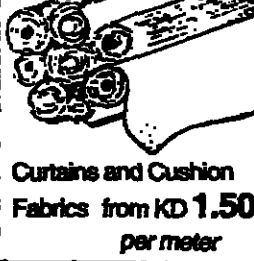
JAHRA Sitting Room 1+3 pieces from KD 230



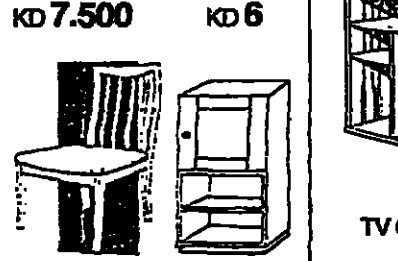
Sitting Room 1+2+3 seater KD 346



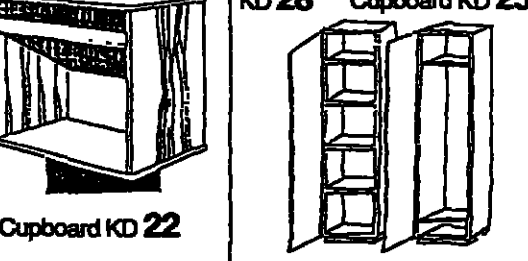
Bed Room KD 55



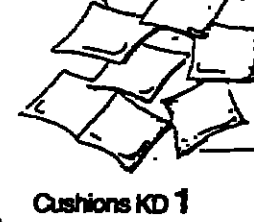
Curtains and Cushion Fabrics from KD 1,500 per meter



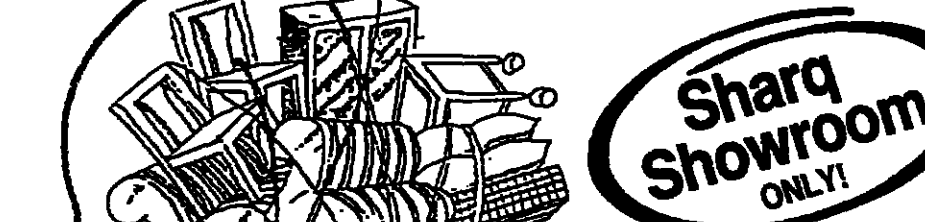
Dining chair KD 7,500 Night table KD 6



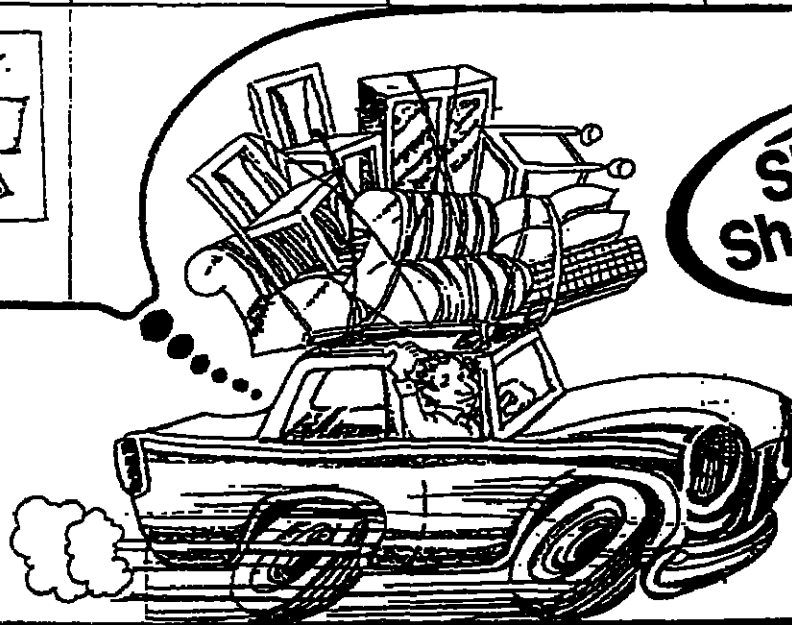
TV Cupboard KD 22



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INTERNATIONAL

Abuses in Salvador rampant: Amnesty

LONDON, June 26. (AP): Torture, killings and disappearances go on with impunity in El Salvador despite government pledges to curb human rights abuses, Amnesty International says.

"Military and police are still flouting the law, and no effective measures have been taken to control the activities of 'death squads' widely believed to be linked to the armed forces," the world-wide human rights organisation said in a report published today.

It said it was also concerned about reports that members of the Farabundo Marti National Liberation Front, the leftist rebel group were responsible for several executions in the past year.

Amnesty International appealed to the government and the FMLN to put human rights at the centre of their peace talks and to propose practical ways of safeguarding them.

The report said an Amnesty International delegation which arrived in El Salvador April 22 collected details of 17 "death squad" killings since the beginning of the year.

Two days before the delegation arrived, a farming co-operative leader was shot by uniformed soldiers and died an hour later, having been denied medical treatment, it said.

Dumped
"In March alone, three bodies were dumped in the streets of San Salvador with bullet wounds," it said, adding: "Two more were found by the roadside in other parts of the country, severely burned with intestines protruding."

The report said detainees held this year confirmed in interviews that "torture persists during initial military and police custody and is part of a deliberate policy to intimidate and extract information."

A 50-year-old man arrested by soldiers in April said he was blindfolded, stripped, and his thumbs tied behind his back. He was repeatedly beaten and almost drowned, the report said.

Others described being hung by the feet or wrists and one said he almost suffocated when a hood was placed over his head six times, it said.

It said disappearances have continued since President Alfredo Cristiani's rightist government took office a year ago. Six agricultural co-operative members were kidnapped in front of witnesses in December in Ahuachapan, and several teenagers have been reported abducted since November.

Disappeared

"Relatives of the 'disappeared' described their continuing anguish at the failure of the authorities to clarify the whereabouts of missing family members, in spite of evidence of their arrests," the report said.

The delegation met civilian and military authorities, and Amnesty International praised "their willingness to discuss human rights issues."

It welcomed proposals for reforms, including establishing a human rights commission in the armed forces and an office in the judiciary which would be open 24 hours a day to give information about arrests.

The report also welcomed recent assurances by Cristiani that efforts are being made to purge the armed forces of "arrogance, arbitrariness and immoral behaviour."

However, it said "only a tiny handful" of those responsible for abuses have ever been identified, and called for "urgent steps to eliminate abuses."

Talks

Although six days of peace talks between Salvadoran government and guerrilla negotiators failed to produce agreement on the military's future role, the two sides are now closer than ever to an accord, a UN mediator said yesterday.

Alvaro Desoto, representative of United Nations Secretary General Javier Perez de Cuellar, told journalists the negotiators moved onto the second item of a seven-point agenda — human rights — before concluding their round of dialogue at Oaxtepec, south of Mexico City.

Mandela, Bush meet successful beyond expectations

WASHINGTON, June 26. (Reuters): Nelson Mandela said yesterday his talks with President George Bush succeeded beyond his "wildest expectations" but that he had rejected an appeal to give up the armed struggle against apartheid in South Africa at this time.

The anti-apartheid leader, treated almost like a head of state at the White House, told a news conference afterward that he and Bush disagreed on only one or two issues and that he found the president sympathetic to his appeal for financial assistance to his African National Congress.

"I got the distinct impression that we had narrowed the gaps that existed between us at the beginning of the meeting," Mandela, until recently one of the world's best-known political prisoners, said. "We left with the feeling that our mission had succeeded beyond our wildest expectations."

Mandela, on the third stop of an eight-city US tour, said he spoke to Bush about prospective talks between the ANC and the South African government of President F W de Klerk, and sought his support for financial assistance for the ANC as well as for main-

taining international economic sanctions against South Africa.

On the ANC's announced policy of continuing the armed struggle against Pretoria, Mandela said he felt this question was "no longer an issue" since the ANC had since 1986 scaled down its operations "in order to contribute towards an atmosphere conducive to a negotiated settlement."

But, he said, "once the (South African) government removes all obstacles to negotiations we will consider the cessation of hostilities."

In a welcoming ceremony at the

White House, Bush called on "all elements of South African society to renounce the use of violence and armed struggle" and "break free from this cycle of repression and violent reaction."

Mandela, speaking without notes, countered that the tactics of the ANC and other South African blacks would be determined by the attitude of his country's white-minority government.

"When a government decides to ban political organisations of the oppressed, intensified oppression and does not allow any political activity no mat-

ter how peaceful and nonviolent, then the people have no alternative but to resort to violence," Mandela said of past violence.

Right-wing American critics of Nelson Mandela said yesterday they launched a national advertising campaign aimed at discrediting his African National Congress as a "communist-dominated terrorist organisation."

The ultraconservative John Birch Society, in a full-page ad printed in the Atlanta constitution two days before Mandela's scheduled visit to the deep south metropolis of 2.4 million,

declared: "It is wrong to grant a hero a welcome to a man who wants to destroy his country with communist-style socialism." (Reuters)

Mandela was asked the inevitable question yesterday whether he or wife Winnie would like to be president of South Africa some day, and he handled it with diplomatic deftness.

"Well, the question of presidency of a state is not a family matter. And secondly, nobody can turn down what the masses of the people would like to have," Mandela told a news conference. (Reuters)



Shouting and waving flags for the independence of Quebec, thousands of French speaking Montreal residents took to the streets June 25. (Reuters wirephoto)

Women testify against Barry

Drugs and sex

WASHINGTON, June 26. (AP): Prosecutors attacking Mayor Marion Barry's character presented two women at his trial who testified they saw him smoking marijuana.

Another woman said she coerced her into sexual relations after she smoked cocaine in front of him and a fourth said he helped her smoke it.

The four women, all residents of the Virgin Islands, testified yesterday at the Barry's cocaine and perjury trial. They said the incidents happened on trips Barry made to the islands in 1986 and 1988.

The mayor, in an interview on WJLA-TV, declined to discuss specific accusations but said, "I'm not worried about all this testimony. Wait until the trial is over. Let the jury decide."

Linda Creque Maynard, who acknowledged she had used drugs in the past, said she considered it "an honour for me to meet the mayor" in March 1988 when she was invited to his hotel room by Charles Lewis, a long-time family friend.

Lewis testified last week at Barry's trial that he and the mayor used cocaine repeatedly in the Virgin Islands and in Washington.

At Barry's hotel room, Maynard found Barry dressed in a robe and he began "touching on me.... he was just all over me," she testified.

Lewis was in the room and told her that "I have to catch up with them" because they had already been using drugs before she came, she said.

"I took a hit" of crack cocaine from a homemade pipe which Lewis supplied, said Maynard. She said Barry witnessed her smoking the crack and that Barry followed her to the door of the bathroom when Lewis smoked some crack there.

"Did you and Mr Barry have sexual relations in the hotel," asked assistant US attorney Judith Reichlin.

"Yes," said Maynard, beginning to cry.

"Did you want that to happen?" asked Reichlin.

"No," sobbed Maynard, dissolving in tears.

Barry lawyers Robert Mance asked Maynard whether she had fought Barry off, "all over the room."

"No," she responded, "he already had me down on the bed." She estimated she and Barry were alone in the room for 10 minutes.

Another witness, Zenna Matthews, testified that Barry used a straw, took some powder cocaine out of a vial and "placed it in each of my nostrils" when she visited his hotel room in the Virgin Islands in March 1988.

The mayor sat on his hotel room bed and smoked marijuana during a March 1988 trip to the Virgin Islands, according to testimony by Dixie Hedington, a prosecution witness, whose taped testimony was played in the courtroom.

"I smoked it a little and gave it to the mayor" who was sitting directly across from her, said Hedington.

Quebec marks national holiday

MONTREAL, June 26. (Reuters): Quebecers took to the streets yesterday to celebrate their national holiday and thousands chanted independence slogans two days after the death of a pact that would have accorded their French-speaking province special status within Canada.

About 200,000 spectators, many wearing the province's blue and white Fleur-de-Lis flag and wearing T-shirts proclaiming nationalist slogans, lined the streets to peacefully watch the giant St Jean Baptiste Day parade, the first in 21 years.

Thousands then tagged along at the end of the march, singing "Gens du Pays", Quebec's unofficial anthem, and chanting "Quebec is a true country" and "we want a country."

Police said there was none of the violence some feared might erupt after two English-speaking provinces failed to ratify a key constitutional accord by its legal deadline last Saturday.

The parades named after province's patron saint were cancelled after separatist demonstrations during 1969 celebrations ended in rioting.

The failed constitutional accord, which had required the approval of all 10 provinces and the federal government, would have recognised Quebec as a distinct society within Canada and given it powers to protect and preserve its French speaking heritage.

After its failure, Quebec's Premier Robert Bourassa said the province, an island of six million French speakers in overwhelmingly English North America, would now decide its future on its own.

"Quebec has freedom of choice and will choose in freedom and calm," said Bourassa, who in saying the province would consider seeking a new relationship with Canada has never used the word separation.

Financial markets appeared to have been appeased by Bourassa's promise of calm and his pledge not to do anything to scare off investors or threaten the economy.

The Canadian dollar was steady yesterday despite the failure of the constitutional pact and although stocks closed lower, the drop was attributed to a late fall on Wall Street.

US brokerage houses said they have been reassured by Canada's calm reaction, but were watching the Canadian dollar for further guidance.

"So far we have seen a tempered response that has indicated that there will be evolutionary rather than revolutionary change and that has reassured a lot of people," said David Germany, an economist with Morgan Stanley and Co Inc.

Recent polls showed that 60 per cent of Quebecers would opt for independence if the accord failed, but poll-takers have stressed that those emotions may not translate into votes further down the road.

In 1980, 60 per cent of Quebecers voted against sovereignty in a referendum.

But in the decade since that vote, Quebec has developed a growing reputation for business savvy and a sense of self-confident entrepreneurialism.

That commercial spirit was in evidence at yesterday's parade where vendors did a brisk trade in blue and white T-shirts emblazoned "100 per cent in Quebec."

Join us to destroy apartheid: Mandela

War will continue, ANC leader tells US Congress

WASHINGTON, June 26. (Agencies): Nelson Mandela appealed to Congress today to support the struggle for a multi-racial democracy in South Africa and said his country "continues to bleed and suffocate" under the repression of white-minority rule.

"Our people continue to die to this day, victims of armed agents of the state who are still determined to turn their guns against the very idea of a racial democracy," the South African black leader told a rapid audience of lawmakers, diplomats and cabinet officers in the House of Representatives chamber.

Mandela pledged that South Africa's future government would be a US-style democracy but said in the meantime his people have the right to use "the weapons of war" to defend their inalienable human rights.

Mandela urged the Congress to lock arms with members of his anti-apartheid movement to form a "solid phalanx" to batter down racial barriers in South Africa.

"Let that day come now," he said. "Let us keep our arms locked together so that we form a solid phalanx against racism to ensure that day comes now."

"We must contend still with the reality that South Africa is a country in the grip of the apartheid crime against humanity," said Mandela. "We have yet to arrive at the point when we can say that South Africa is set on an irreversible course leading to its transformation into a united, democratic and non-racial country," he said.

Envisioning a day when the white-minority government has been replaced, Mandela said the country's economy must be transformed.

But he added, "the ANC holds no ideological positions which dictate that it must adopt a policy of nationalisation." The African National Congress socialist economic views have concerned some administration officials.

If lawmakers were uneasy over Mandela's refusal to rule out violence in the struggle in South Africa, they did not show it in their reception for the man who spent 27 years in jail in his homeland.

Mandela was greeted with prolonged applause as he made his way into the chamber. He beamed a wide smile as he mounted the podium and began his speech.

The deputy president of the ANC credited white President F.W. de Klerk with being committed to peaceful transition in South Africa.

But he said, "we would be fools to believe that the road ahead of us is without major hurdles. Too many among our white compatriots are slaves in the ideology of racism to admit easily that change must come."

He added, pointedly: "For those who care to worry about violence in our country as we do, it is at these forces that they should focus their attention."

He said the economic sanctions imposed earlier against South Africa should remain in place, and received thunderous applause when he said: "Peace will not come to our country and region until the apartheid system is ended."

Mandela thanked those who helped impose the sanctions in the first place, and asked for "material assistance which will enable us to promote the peaceful process." President George Bush has been reluctant to provide direct financial support for the ANC because the group has refused to renounce violence.

"Here we have friends. Here we have fighters against racism who feel hurt because we are hurt, who seek our success because we, too, seek the victory of democracy over tyranny," Mandela said.

In their struggle for democracy, Mandela said, black South Africans are following the examples of George Washington, Abraham Lincoln and Thomas Jefferson, as well as black American leaders like Martin Luther King Jr.

"Our people demand democracy. Our country, which continues to bleed and suffocate, needs democracy," he said.

OAU bids to heal rift among blacks
ARUSHA, June 26. (Reuters): African states will map out a response to the dramatic political changes in South Africa and try to heal a longstanding rift between the country's two main black nationalist groups at a meeting in Tanzania tomorrow.

Diplomatic sources said the ministerial meeting of the Organisation of African Unity's (OAU) liberation committee would be overshadowed by fears that black opposition groups were losing the political initiative to the reforming zeal of President F.W. de Klerk.

The 30-year-old split between the African National Congress (ANC) and the Pan Africanist Congress (PAC) was hampering efforts to develop a co-ordinated OAU strategy on South Africa, they added.

"These issues will no doubt raise a long and heated debate when the meeting opens tomorrow," one OAU source said.



Mandela (left) waves after he and Bush made remarks on the south lawn of the White House. (Reuters wirephoto)



Anti-ANC demonstrators protest Mandela's visit to the US State Department, June 25. (Reuters wirephoto)



Mandela waves to the press as he enters the White House. (Reuters wirephoto)

8 killed in Natal unrest

'White plot' suspects release condemned

JOHANNESBURG, June 26. (Reuters): A part-time South African policeman was shot dead and seven other blacks were killed, six in Natal province, police said today.

In a daily report on political violence, police said an officer was shot dead by gunmen in Khayelitsha black township outside Cape Town.

Six bodies were found overnight in Natal's townships, scene of bitter clashes between rival black factions fighting for political supremacy.

Four had been stabbed to death, the report added, but gave no details.

More than 1,000 people have died in Natal since the beginning of the year in clashes between supporters of Nelson Mandela's African National Congress (ANC) and the conservative Zulu-based Inkatha Movement.

The two organisations differ over ways of ending Pretoria's white rule.

The burnt body of a man was found at Kaitshong township outside Johannesburg, the report added. The African National Congress denounced South African police yesterday for their rapid release of 11 whites informally accused of plotting to kill Nelson Mandela and President F.W. de Klerk.

It said the 11 should be prosecuted to the full extent of the law. The authorities' apparent reluctance to file charges could harm the government's pioneering political reforms.

West German Cabinet Minister Jürgen Warnke praised the apartheid reform moves of President F.W. de Klerk when he arrived today for the first official visit from Bonn to South Africa in 12 years.

Warnke, minister of economic co-operation and development, said it was time for the world to ease anti-apartheid sanctions, which are under discussion at a summit of European Economic Community (EEC) heads of state in Dublin. (Reuters)

Police search for motive in Medellin massacre of 19, murder toll 71

MEDELLIN, June 26. (Reuters): One of the bloodiest weekends in this drug capital's history has left more than 50 people dead and police searching for a motive in the massacre of 19 mostly young wealthy Colombians by hooded gunmen. Seventy-one people were murdered in Medellin in one of the bloodiest weekends in the city's history, police said yesterday.

The execution-style murders late on Saturday at a bar and cafe on the outskirts of the city, along with 34 other shooting

deaths, brought renewed calls by officials for an end to fratricidal violence that has rocked Medellin this year, leaving more than 3,000 dead.

"It is not possible for us to continue with this festival of death, anguish, crime and violence," Medellin Mayor Omar Florez Velez, was quoted as saying in El Tiempo, the country's largest newspaper.

About 7,000 police and army troops have been deployed to try to stem the violence in Medellin, home to the world's

largest cocaine cartel and the centre of the 10-month-old war between drug traffickers and the government.

Police in Medellin de-activated a car bomb Sunday night that packed 265 pounds (120 kilos) of dynamite, a Medellin police spokesman said.

Several unidentified women had abandoned the sub-compact car in front of the offices of a private security company, he said, speaking on condition of anonymity, a standard practice at Medellin police

headquarters.

In one of the most shocking incidents this year in a city grown numb to violence, police said some 25 hooded gunmen entered the Oporto bar late Saturday, forced all males out into a parking lot and shot them through the head. Witnesses said some were shot through the eyes.

The dead, the youngest of which was 15, included students and young professionals, most from wealthy families, as well as employees. Nine others were wounded.

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Rebuff at Soviet general's remarks

MOSCOW, June 26, (Reuters): Foreign Minister Eduard Shevardnadze has hit back at disgruntled generals' criticism of Soviet foreign policy, saying developments last year in Eastern Europe had made traditional Soviet policy there indefensible.

"Foreign policy cannot defend a course which goes against general human ideas on equality, freedom, power of the people, democracy," he said in an article published today in the newspaper Pravda.

Senior army officers said last week that Kremlin policies had weakened national defence and eroded Soviet power abroad.

On June 19, Army General Albert Makashov reproached the leadership for allowing Soviet forces to be driven without resistance from Eastern Europe.

"I consider it my moral duty to express my apologies to the peoples of Eastern Europe for the insulting and inadmissible remarks of certain of my fellow countrymen," Shevardnadze said, clearing alluding to Makashov's speech.

He said those who asked why Moscow allowed the changes in Eastern Europe to take place really meant to ask, "why did we not use tanks for the restoration of order?"

"Have we really learned nothing? Do we really not remember the lessons of Afghanistan? Have we really forgotten 1956 and 1968," he said, referring to the use of Soviet military force in Hungary and Czechoslovakia.

The remarks by Shevardnadze, a close ally of President Mikhail Gorbachev, indicated the Soviet leadership was steering itself for more such attacks at next week's crucial congress of the Soviet Communist Party.

Shevardnadze also attacked leaders of the Soviet defence industry and military chiefs who had been responsible for massive chemical weapons production at a time when no other country was doing so.

"Now we have to develop technology and spend at the very least three billion roubles (\$4.8 billion) to destroy this weapon," he said.

Shevardnadze also suggested that Soviet acceptance of a compromise of the German question could hinge on the outcome of a summit of NATO leaders in London next month.

Delors to head EEC executive until end 1992

DUBLIN, June 26, (Reuters): European Commission President Jacques Delors, the French socialist credited with transforming the European Economic Community into a leading force in world affairs, was formally reappointed today for a further two years.

Delors, 64, who became head of the EEC executive body in 1985, will now stay in office until the end of 1992, when the giant community single market which he has played a major part in creating is finally in place.

His reappointment, a formality since Delors made clear that he wished to stay on in Brussels, was confirmed by the 12 EEC heads of government on the final day of their Dublin summit, an EEC spokesman said.

All 17 members of the commission are appointed for four years but the president is named for only two years and is normally confirmed in office for two further years.

UK tanker blast; 2 dead

LONDON, June 26, (UPI): A British-owned supertanker limped toward port with investigators trying to find the cause of an explosion that sparked a devastating fire which killed two seamen and left one other missing and presumed dead, officials said.

Transport department officials and a spokesman for Shell UK, which owns the 227,400-tonne Rapana, said there were no indications of any oil spillage, but a marine pollution control aircraft had been dispatched to survey the area with sensing equipment.

They said investigators had not yet discovered what sparked the late yesterday blast in the main pumproom of the vessel, about 40 miles (55 km) southwest of the Norwegian coastal city of Stavanger.

EEC support for Gorbachev efforts

Leaders delay decision on financial aid

DUBLIN, Ireland, June 26, (AP): Leaders of the 12 European Economic Community (EEC) nations today expressed support for Soviet President Mikhail Gorbachev's efforts to rescue his failing economy but delayed decisions on providing badly needed aid.

In a draft of their final statement, the leaders asked the trading bloc's executive staff to come up with urgent proposals covering short-term loans and longer term assistance to Moscow.

The troublesome question also will be at the top of the agenda of next month's economic summit of the seven leading industrialised nations in

Houston. The leaders said their talks "underlined the interest of the community in the success of the political and economic reform initiated by Gorbachev."

But British Foreign Secretary Douglas Hurd said in local broadcast interviews that funneling money into the Soviet economy now would be like pouring water into a leaking bucket.

"Until you can be pretty sure that any help you give is actually going to be useful, then there's no point in making it," he said.

The community leaders also praised reform efforts in South Africa but made no move to ease the economic sanctions imposed against the white-led government in 1986.

They renewed their willingness to consider a gradual relaxation of the prohibitions "when there is clear evidence that the process of change already initiated continues."

On the question of Soviet aid, a senior West German official, demanding anonymity, said he expected an aid package to be decided by year's end.

"I think there is a majority for providing help to the Soviet Union," the official said. But he acknowledged that "no figure will be cited" at the end of the summit.

The discussion of Soviet aid was held over a dinner at the end of Monday's opening day of talks in the Irish capital.

Afterward, Prime Minister Giulio Andreotti of Italy said he and his colleagues made "a common decision to help the Soviet Union and East European countries."

"There was a general desire ... to indicate support for Gorbachev and perestroika (the Soviet economic reform effort)," Irish spokesman P.J. Mara told a late-night news conference.

Chancellor Helmut Kohl of West Germany had made a strong pitch for immediate help for the Soviet Union.

In a letter to his colleagues, he said it was "in our joint interests to support ... Gorbachev's policy to the best of our ability."

In exchange for the help, Kohl said he would urge the Kremlin "to adopt a constructive approach" toward membership of a united Germany in the North Atlantic Treaty Organisation.

British officials said Kohl and President Francois Mitterrand of France urged the others to help fashion a loan package worth about \$15 billion.

West German banks have already agreed to pump \$3.1 billion worth of loans into the Soviet economy.

Andreotti said the European Economic Community countries disagreed over what conditions to attach.

Britain and Denmark would like terms similar to those set by the International Monetary Fund, which arranges rescue packages for financially strapped countries. In return, the countries must take measures to try to revive their stricken economies.

Dutch Prime Minister Ruud Lubbers yesterday called for a pan-European energy community, drawing in the oil-rich Soviet Union, to limit the continent's dependency on foreign crude.

Without an energy policy, Lubbers warned the leaders of the EEC that they will have to import "vast quantities of oil" from other parts of the world in about five years.



An Irish plain-clothes security officer armed with an automatic rifle stands guard on the roof of a building in Dublin Castle June 25, as staff members look down into the courtyard.

Blast sends shock waves

LONDON, June 26, (Agencies): For government ministers, learned judges and peers of the realm, the ancient London club has always been a haven of peace and tranquility.

The old order changed irrevocably last night when a bomb which police suspect was planted by the Irish Republican Army exploded in the exclusive Carlton Club, whose only woman member is Prime Minister Margaret Thatcher.

The attack sent shock waves through the establishment and meant some of the gentlemanly ways of London's clubs might have to change.

It injured four members, including a 82-year-old baron, who said from his hospital bed he was hit in the leg in the smoking room by a flying portrait of a former conservative politician.

Garbage trucks carted rubble away from the Carlton, long a bastion of Britain's ruling Conservative Party, today as police sifted through broken rafters, glass and masonry for remnants of the bomb.

A splintered section of the Conservative-blue front door hung off its hinges. The flagpole on the roof was bare.

George Churchill-Coleman, head of Scotland Yard's Anti-terrorist squad, said the bomb planted a few feet inside the doorway of the 158-year-old Carlton Club went off about 8.40 pm (1940 GMT).

Charles Henry, 76, a porter who was working near the entrance, was seriously injured, he said.

Lord Kaberry, 82, a former vice-chairman of the Conservative Party who is a member of the House of Lords, was hospitalised with minor injuries.

"Lord Kaberry is still quite shocked and is likely to suffer impaired vision for a few days," hospital spokeswoman Margaret McDagh said Tuesday.

"Mr. Henry ... is still in intensive care but we expect him to be transferred to a ward later today," she said, adding that two police officers treated for smoke inhalation would probably be discharged today.

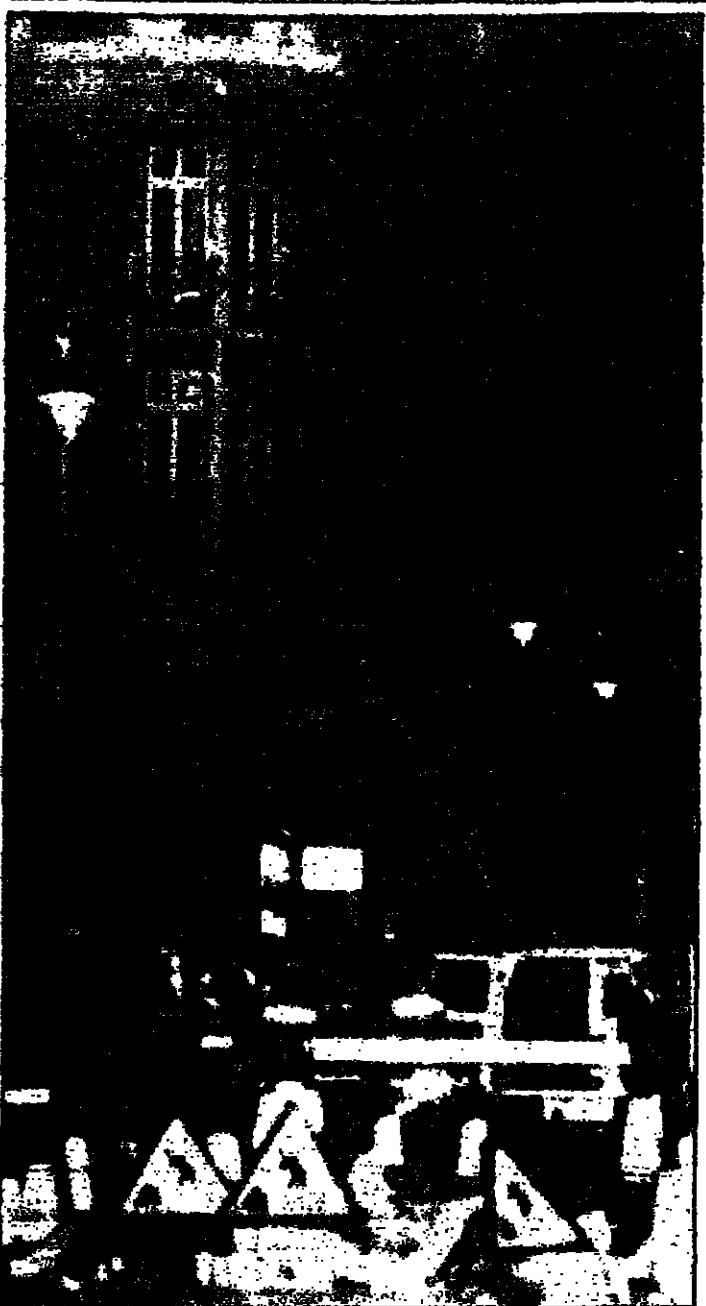
Police said five others were listed as slightly injured. Two other employees at the club, another man and two American tourists.

An imposing building in the elegant St. James's district, an area thick with discreet gentlemen's clubs, the Carlton was founded in 1832 by the Duke of Wellington and a handful of fellow Tories after a general election rout.

Before yesterday's bombing there was little overt sign of security at the Carlton. Parcels could be left for members and a solitary hall porter watched the daily comings and goings of hundreds of guests, members and staff in the busy lobby.

Nearly all Conservative prime ministers, including Winston Churchill, Harold MacMillan, Anthony Eden and Edward Heath, have been members of the Carlton.

Margaret Thatcher broke the club's hallowed all-male tradition when she was elected Conservative Party leader in 1975 and automatically became a member.



The scene outside the Carlton Club that was rocked by an explosion. (Reuters wirephoto)



Police escort catering staff from the area of the Carlton Club. (Reuters wirephoto)

Inquiry in October Lockerbie disaster

LONDON, June 26, (Reuters): Scotland's senior law officer said yesterday an inquiry into the bombing of a Pan American airliner which killed 270 people would open in October, but families of the victims expressed fear of a security cover-up.

"We believe there is a cover-up of UK security and until there is a full independent inquiry we will continue to believe so," said Jim Swire of the group UK Families-Flight 103.

The Pan Am Boeing 747 was blown apart by a radio-cassette bomb over Lockerbie, Scotland, in December 1988, killing all 259 aboard and 11 people on the ground. The hunt for the bombers has ranged over more than 50 countries.

Relatives of the victims say they want a full independent inquiry to examine how and where the bomb

was smuggled aboard and to question the timing of British government warnings of possible terrorist attack to airlines and airports.

Scotland's lord advocate, Lord Fraser, who said the inquiry would start in Dumfries, near Lockerbie, on October 1, said the hunt for the bombers would continue.

"The ordering of the fatal accident inquiry does not in any way signify an end of the hunt for those responsible for the mass murder at Lockerbie. We remain as committed today as ever to bringing the evil perpetrators to justice."

Flight 103 for New York originated in Frankfurt. Passengers and baggage switched to the doomed aircraft in London.



In his last function as president of the European Council of Ministers Haughey gestures (front) with fellow premiers (left to right) Andreotti, Mitterrand, Thatcher and their foreign ministers in the rear. (Reuters wirephoto)

Lithuania debate

Landsbergis meets Gorbachev

MOSCOW, June 26, (AP): Mikhail Gorbachev met today with Lithuanian President Vytautas Landsbergis as the parliament of the secessionist republic prepared to debate suspending its independence declaration, spokesmen said.

The Soviet president invited Landsbergis to the unannounced Kremlin meeting, apparently to discuss Gorbachev's proposal that the Lithuanian

parliament pass a moratorium on its March 11 declaration, said Haris Subacius, a spokesman in the information bureau of the Lithuanian Supreme Council Parliament. An aide to Landsbergis also confirmed the meeting, but declined to comment further.

Landsbergis was expected to return to his capital of Vilnius later today, as parliament opened debate on a recommendation by Lithuanian Prime Minister Kazimieras Prunskiene to declare a moratorium on the independence declaration.

"The proposed temporary moratorium could save our dignity and at the same time promote the solution of the accumulated problems," the Soviet state news agency Tass quoted Mrs Prunskiene as telling a news conference yesterday.

The Lithuanian council of ministers, which she heads, accepted Gorbachev's proposal earlier this month. Landsbergis has been less inclined to compromise.

Gorbachev proposed the moratorium as a condition for opening talks with the secessionist republic and lifting the economic embargo.

The Soviet president appears to be seeking a long-term agreement with Lithuania and its sister secessionist Baltic states, Latvia and Estonia, to keep them as republics in a newly constituted Soviet Union.

His chances of forcing them to retain their old status, or to accept recently passed Soviet rules governing secession, diminished this month when the Russian Federation, the largest Soviet republic, passed a resolution declaring its sovereignty.

Although the sovereignty declaration did not go as far as steps taken by the three Baltic republics, it did set the stage for the transfer of many powers from central authorities to elected governments in the 15 Soviet republics.

Mrs Prunskiene and some Soviet officials have been searching for a compromise to resolve the impasse.

Soviet authorities partially lifted the embargo by resuming natural gas shipments to a Lithuanian fertilizer factory, amounting to 15 per cent of Soviet gas deliveries to Lithuania. Crude oil and gasoline shipments remain cut and many Lithuanian businesses have closed, forcing thousands out of work.

The Lithuanian parliament opened its session at 10 am (0800 GMT) but Mrs Prunskiene was not expected to propose the independence moratorium until late in the day, said Pauparas, contacted from Moscow.

Mrs Prunskiene's popularity has been rising rapidly among Lithuanians during the crisis, according to a poll released yesterday and reported by the Interfax news agency. The same poll, conducted by the sociological research department of the Lithuanian Academy of Sciences, shows Landsbergis' popularity plummeting.

Mrs Prunskiene had a favourable rating among 61 per cent of those surveyed, followed by the deputy prime minister and leader of the breakaway Lithuanian Communist Party, Algirdas Brazauskas, with 50 per cent, the report said.

Congress may be postponed: Yeltsin

Multi-party govt likely

MOSCOW, June 26, (Reuters): Russian Federation President Boris Yeltsin said today the Soviet Communist Party was considering whether to postpone a crucial party congress scheduled to open next week.

Yeltsin, speaking at a news conference, also said he intended to form the first multi-party government in Russia since 1918.

Asked whether rumours of a postponement of the congress were true, Yeltsin replied: "That there are rumours is true. But whether the congress will be postponed, that question is not yet decided."

Asked who could decree a change in the timing of the key congress, due to start on July 2, Yeltsin said: "A plenum of the (Soviet party) Central Committee would have to gather and change the dates of the congress..."



Boris Yeltsin

"No, the question is not yet decided."

In Russian, Yeltsin's phrasing of his answer suggested that the idea of postponement was being discussed at a high level.

An independent news service in Moscow reported yesterday that party ideological chief Vadim Medvedev had telephoned the Estonian communist leadership to ask their views on a postponement.

There has been no confirmation from officials in Tallinn or Moscow of the report, carried by the Estonian News Service.

Yeltsin, questioned further, indicated he would support postponement of the congress.

Yeltsin told Soviet Television yesterday that his republic would sharply restrict its payments to the national government as it pushes for greater independence.

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Vatican orders wayward theologians to toe the line on sex and morals

VATICAN CITY, June 26, (Reuters): The Vatican told wayward theologians today they had no right to dissent publicly from official Roman Catholic teaching on sex and morals.

A 27-page instruction from the Vatican's doctrinal department warned them not to take their complaints to the media and reminded them they would be disciplined if they strayed from official teachings.

The document was written by Cardinal Joseph Ratzinger, controversial head of the Vatican's doctrinal control department, the congregation for the Doctrine of the Faith.

It was in response to an escalation of public dissent by theologians, mostly European and American, about church teachings on sexuality and birth control and Pope John Paul's centralist style.

Church observers said the papally-approved document "instruction on the ecclesial vocation of the theologian" was bound to provoke a chorus of criticism from liberal theologians and Catholics.

"Standards of conduct appropriate to civil society or the workings of a democracy cannot be purely and simply applied to the church," it said. "Even less can relationships within the church be

inspired by the mentality of the world around it."

Last year, 163 German-speaking theologians issued the so-called "Cologne declaration," attacking the way the Vatican approves theology professors.

Father Hans Kung, a prominent West German dissident theologian, has held lectures accusing the Vatican of "totalitarian suppression of conscience."

In 1986 the Vatican stripped Father Charles Curran of his teaching post at the Catholic University of America and limited the authority of Archbishop Raymond Hunthausen of Seattle because of their dissent on teachings on sexual morality.

The new document rejected the argument by some theologians that they can publicly dissent from the church's ban on contraception because it has never been declared infallible.

It said that even on issues such as birth control, where teachings were not declared infallible, Popes received "divine assistance" in formulating their pronouncements, which Catholics had no choice but to accept and obey.

"Even if the doctrine of the faith is not in question, the theologian will not present his own opinions or divergent hypotheses as though they were non-arguable conclusions," the document said.

INTERNATIONAL

Slovenia moving closer to secession

BELGRADE, June 26. (Reuters): Yugoslavia's unruly republics have dealt another blow to the country's unity, with Slovenia moving closer to secession and Serbia vowing to proclaim independence if the federation falls apart.

Slovenian President Milan Kucan said yesterday his republic would begin work on a new constitution that would take precedence over federal laws and lead the republic to independence, with its own defence and foreign policy.

"This will be the constitution of a sovereign state and not of a federal unit," Kucan told a session of the Slovenian presidency, the republic's executive body.

"The free determination of the political status of the Slovenian people and their state is the basis of the affirmation of Slovenia's independence and its possible links with other Yugoslav peoples and states," he said.

The draft for the new constitution is expected to go before the Slovenian parliament for debate in July.

Slovenia, Yugoslavia's most Westernised republic, and Croatia, where communists were ousted by centre right parties in elections in April, advocate turning Yugoslavia into a loose confederation with little central control.

But Serbia, the biggest republic, advocates a strong and centralised federation and the conflict has led to a breakdown in relations between Yugoslav republics.

Earlier yesterday, Serbian President Slobodan Milosevic said Serbia would proclaim independence and seek to extend its borders if the Yugoslav federation of six republics falls apart.

He warned that if Serbia opted for independence, it would seek a revision of its borders to take into account 2.5 million Serbs living in the neighbouring republics of Croatia and Bosnia-Herzegovina.

"If a federal Yugoslavia is rejected, the issue of Serbia's borders is an open political question," Milosevic said in a speech to the Serbian parliament.

"Serbia must clearly state that its present administrative borders are linked only to the federal system in Yugoslavia."

The showdown puts Croatia in a difficult situation as Serbia would likely claim parts which are populated by Serbs, a problem not faced by Slovenia whose borders are not in question.

"Croatia will have to weigh very carefully any confederation which in which parts of its territory came into question," a Yugoslav analyst said.

"Milosevic has opened a Pandora's box by bringing up the issue of internal borders."

Serbia itself is trying to push through a controversial new constitution which would severely limit the autonomy of its two provinces, Vojvodina and Kosovo.

More than 50 people have been killed in Kosovo over the past year during riots by the province's ethnic Albanian majority who are against the expansion of Serbia's power over the region.

Last week, ethnic Albanian delegates from Kosovo tried to postpone the debate over the Serbian constitution but were heavily outvoted. The Serbian parliament said the constitutional proposals would be put to a public referendum on July 1 and 2.

Bulgaria: Thousands of anti-government protesters rallied in central Sofia yesterday to press demands for the government to resign and students across the country went on a sit-in strike for democracy.

An estimated 40,000 demonstrators poured into Sofia's main central square carrying the blue flags of the opposition Union of Democratic Forces (UDF) and shouting anti-government slogans.

A declaration read at the rally accused the Bulgarian Socialist Party (BSP), formerly the ruling Communist Party, of rigging the country's first free elections in 40 years earlier this month and falsifying the results.

"Down with the BSP", "BSP was and still is the mafia," and "Resign, resign" the protesters shouted. (Reuters)

Czechoslovakia: Vaclav Havel visited 12 foreign countries, had just four days off and wrote no plays in the six months since he became Czechoslovakia's interim president.

"I haven't written anything while I've been in office. The only thing I wrote were some of my more important speeches," the acclaimed playwright and former dissident said yesterday in his last media briefing before presidential elections on July 5.



I'm innocent

A Romanian student leader, feared dead after being arrested last week and charged with inciting violence, told Romanians from a prison hospital bed on Tuesday that he was innocent.

Marian Munteanu, (shown above) leader of the students' league, looked gaunt and frail when he was interviewed on Romanian television in a prison hospital near the capital.

Munteanu, badly injured when miners rampaged through Bucharest to crush opposition protests, said in a trembling and faint voice that he was getting good medical treatment.

He denied inciting the June 13-15 violence in which six

people were killed and which aroused fears of a return to the style of dictatorship of Nicolae Ceausescu, overthrown and executed in December.

Many students detained during the unrest had said their interrogators — coth-wielding miners and policemen — told them Munteanu was dead.

Over 1,000 riot suspects were rounded up but the authorities said on Monday Munteanu was the only student still held among 177 people under arrest in connection with the bloodshed.

"From a medical viewpoint I'm all right. But I have these permanent headaches. The doctors are wonderful people," Munteanu said in the interview. (Reuters wirephoto)

Total unification

West Germany unveils plan

BONN, June 26. (AP): West Germany, speeding ahead on plans to unify with East Germany, today unveiled proposals for full unification by mid-December after joint elections.

The plan was made public just five days before the two countries are to merge their economies and social institutions, a move that effectively marks the historic dissolution of East Germany's four decades of socialism.

According to a discussion paper released by the

Interior Ministry, the unification of East and West Germany would become effective the day after united German elections, proposed for either Dec 10 or Dec 17.

West German Interior Minister Wolfgang Schauble said he expected the East German cabinet to begin discussing the proposed elements of the treaty on political unification on Wednesday in East Berlin.

East German spies

Five more suspects held

KARLSRUHE, West Germany, June 26. (AP): Five people, including two West German army officers and an elderly couple, have been arrested over the past month on suspicion of spying for East Germany, the federal prosecutor's office said yesterday.

Three people were put into investigative custody, authorities said. The other two were released but remain under investigation, they added, without specifying which ones were released or saying why.

None of those arrested charges have been filed.

The prosecutor's office said two of those arrested were West German army officers who had supplied East German military security with information about their jobs.

Hans-Jochen Vogel, chairman of West Germany's opposition Social Democrats (SPD), will lead a united German SPD when they join forces, party sources said yesterday.

Polish Prime Minister Tadeusz Mazowiecki has called on the two Germanys to agree the terms of a border treaty with Poland before they unify, the government daily Rzeczpospolita reported yesterday.

US Secretary of Defence Dick Cheney yesterday rejected a Soviet suggestion for withdrawing foreign troops from Berlin.

"The problem, of course, is once you take troops out of Berlin you've still got Berlin inside what is currently East Germany surrounded by some 380,000 Soviet troops that are not leaving immediately," Cheney said in an interview on an American television network.



Hervas killed in gunbattle

Civil guardsmen carry the remains of Sergeant Jose Luis Hervas through the city of Pamplona. Hervas died June 25 in a gunbattle with Basque guerrillas. (Reuters wirephoto)

200 killed in escalating Cambodian fights

BANGKOK, June 26. (UPI): Rainy season fighting escalated in Cambodia last week with more than 200 fighters reported killed on both sides as the resistance claimed the capture of another district capital and the government reported effective counter-attacks.

"At 5 am on June 19, our national resistance forces attacked and completely destroyed and swept the township of Prek Prasap district," rebel Khmer Rouge radio said.

It said the Chinese-backed rebel force also captured two villages along the Mekong river and a series of villages along the Mekong river about 95 miles (150 km) northeast of the Cambodian capital of Phnom Penh.

"After a one-hour battle, our national resistance forces killed 37 enemy soldiers, including three district officials, and wounded 30 and captured four others," it said.

The Khmer Rouge report said a large amount of weapons were destroyed in the raid along with barracks motorboats and the district office building.

The report did not say whether the guerrillas intended to hold the town, but the pattern of past attacks has been that, except for areas near the Thai border, the resistance quickly withdraws to avoid a government counter-attack.

The radio said the attack on the district, only 12 miles (20 km) from the province capital of Kratie and 36 miles (58 km) from

the Vietnamese border, "completely removed the roof from the house of puppet (Prime Minister) Hun Sen's regime."

On the same day, Khmer Rouge forces "liberated" 25 villages in Kong Pisei district, about 28 miles (45 km) southwest of Phnom Penh, the radio said.

It said five government soldiers were killed in the fighting.

The government news agency SPK also reported an upsurge in fighting and said a total of 168 rebels had been killed recently in three different areas.

The agency said 72 resistance troops were killed around the strategic crossroads town of Svay Chek.

Senior fellowship for Fang at Cambridge

Freedom came after week-long intense negotiations

LONDON, June 26. (AP): Chinese dissident Fang Lizhi, freed by a government apparently eager to improve ties with the West, will return to academic life in Cambridge, an official at the University said today.

Fang and his wife, Li Shuxian, arrived in Britain last night after the Chinese government agreed to permit them to leave their refuge in the US embassy in Beijing.

The couple had sought refuge there after the Chinese government's June 4, 1989, military crackdown on the pro-democracy movement.

Martin Rees, director of Cambridge University's Institute of Astron-

omy, said Fang will be a senior visiting fellow. "We see our job as to help him get back into an academic environment," Rees said today. He said Fang's research would be on the early development of the universe.

Fang, an astrophysicist, and Li, a physicist, flew to Britain late last night aboard a US air force transport jet from Beijing. They landed at Upper Heyford, a US air base 60 miles (100 kms) west of London, at 11:30 pm (2230 GMT).

The official Xinhua news agency said they were given permission to leave China for medical reasons after showing "signs of repentance." US media reports said Fang recently suffered a mild heart attack and refused to undergo treatment in a Chinese hospital.

A US diplomat was quoted by Hearst News Service as saying the heart attack was the "face saver" that permitted the Chinese government to cite "humanitarian concerns" in permitting Fang and Li to leave.

The diplomat, assistant Secretary of State Richard Solomon, said both the US and Chinese governments had agreed to refrain from direct reference to the heart attack, saying only that Fang needed medical treatment.

A British Foreign Office spokesman said the couple had been granted standard six-month tourist visas and had received an invitation from the Royal Society, Britain's oldest and most prestigious scientific organization.

US presidential spokesman Martin Fitzwater said in Washington that Fang had accepted a post as a professor at Cambridge University. Fang pioneered laser research in China and has also done research in cosmology, focusing on black holes.

China's Public Security Ministry said the couple was given lenient treatment after admitting in writing to violating the constitution by opposing socialist principles and the leadership of the Communist Party.

In Washington, the US State Department issued a statement by Fang and Li in which they said they remain opposed to four cardinal principles of the Chinese constitution "because their purpose is to uphold a political system of class struggle."

Fang and his wife were shepherded from their year-long refuge in the US embassy in Beijing in a motorcade after a week of intense negotiations by the American ambassador, diplomats said in Beijing today.

The dramatic departure took place in broad daylight, at around 10.30 am on Monday, they said.

"It was so silly, the outlandish way they did it," said one diplomat who witnessed the scene. "It couldn't have been more obvious."

But traffic in Beijing's Jiaoguanwai embassy quarter was light at the time.

The couple were whisked away by US embassy minibus to Nanyuan military airport in southern Beijing, said another diplomat.

They were escorted by a motorcade of Chinese government cars.

Awaiting them at Nanyuan was a US air force transport plane sent from Yokota air force base in Japan, diplomats said.

The plane stopped at Ellendorf in Alaska en route to the US air force base at Upper Heyford, in southern England. It arrived there at about 11.30 pm (2230 GMT) on Monday.

The release process gained momentum last week, diplomats said.

Ambassador James Lilley was seen entering and leaving the Chinese Foreign Ministry twice on Saturday. A diplomat confirmed that Lilley was engaged in intense negotiations for Fang's release at the time.

"There were talks over the past few weeks. But the final week was pretty hectic," he said.

The US State Department said Lilley played a key role as "facilitator" of the release.

Fang and his wife, took refuge at the embassy on June 5 last year.

See also Page 12

Koreas to open talks on Tuesday

SEOUL, South Korea, June 26. (AP): North Korea has accepted a South Korean proposal to reopen talks between the two nations next week, Seoul officials said today.

Officials at the government's National Unification Board said the North Korean approval, conveyed to the south by telephone, cleared the way for political and military officials to meet at the border village of Panmunjom next Tuesday.

North Korea originally had sought to hold the talks on Friday, but South Korea proposed that it be delayed until next Tuesday to ensure more time for preparations.

The main mission of the talks the first since January, is to arrange for a meeting of the two Koreas' prime ministers for the first time since the division of their peninsula in 1945.

The two rival Korean states have held talks on and off since the early 1970s, but have made little progress in easing tension. Top leaders of the two sides have never met.

North Korea cut off all dialogue with South Korea early this year to protest the annual "Team Spirit" joint US-South Korea military exercises.

In earlier messages sent to South Korea, North Korea indicated that it was reopening dialogue with South Korea to protest Seoul's "flunkeyist attitude" in handling national unification.

"We make it clear as long as the flunkeyist and separatist acts of your side against the nation lay grave obstacles to North-South (Korea) dialogue and the cause of national reunification, we will continue to urge your side to reflect on your acts and take your side to task," North Korea said in one letter.

The North Koreans are upset by the recent talks between South Korean President Roh Tae-Woo and Soviet President Mikhail Gorbachev in San Francisco.

The Soviet Union is one of isolated North Korea's few close allies.

Seoul officials said North Korea is expected to raise the Roh-Gorbachev meeting at next Tuesday's Panmunjom talks.

North Korean schoolchildren marked the 40th anniversary of the start of the Korean War today by vowing to avenge "murders" by US imperialists, official North Korean media reported.

In Washington, President George Bush marked the 40th anniversary of the outbreak of the Korean War by ordering that flags be lowered to half staff on federal buildings.

In a proclamation Monday, Bush noted that 54,246 US soldiers were killed and 103,000 wounded.



Tri-honour guard

Outgoing commander of the US Forces in Korea General Louis Menetrey shakes the hand of a soldier in the tri-honour guard representing South Korea's army, navy, and air force at a ceremony marking the handover of Menetrey's command to General Robert Riscassi. Menetrey served as commander of the US command in Korea from June 1987. (Reuters wirephoto)

Taiwan to debate political reforms

Elders must retire

TAIPEI, June 26. (Reuters): For the first time in 41 years, representatives of all sides in the Taiwan political debate will meet this week to plan fundamental reforms.

Forced by political instability and student demonstrations this year to call an unprecedented six-day national affairs conference starting on Thursday, President Lee Teng-Hui must now ensure that reform goes forward, analysts and politicians say.

"Once you have played it up so big, the people are looking at what you can deliver," said Michael Kau, President of the 21st century foundation, a private research group.

"The conference will mix up constitutional reform with the very emotional issues of mainland (China) policy and power struggles here," he added.

The issue of reform was forced by a decision by the Council of Grand Justices last week that said all the elderly members of Taiwan's legislature, who have dominated politics for four decades without having to face re-election, must retire by the end of 1991.

The 70 and 80-year-old legislators, who make up a majority in Parliament, were all elected in China and have been frozen in office since Taiwan's ruling Nationalist Party fled communist victory on the mainland in 1949.

But some analysts worry that the conference, which will have no formal legal standing, will get bogged down in too much talk and not enough action.

"Legally we need a new legislature, constitutional reform and mainland (China) policy, but once you get 150 people in such a meeting for only a few days it's unreasonable to expect reform to appear in just six months or so," said Ting Tin-Yu, chairman of the independent public opinion research foundation.

"They must come up with a consensus on parliamentary reforms. Since the national affairs conference includes opposition politicians and activists from overseas, it will serve an important political integration and communication function," said Lin Chia-Cheng, a political scientist at Soochow University.

But some analysts worry that the conference, which will have no formal legal standing, will get bogged down in too much talk and not enough action.

"Legally we need a new legislature, constitutional reform and mainland (China) policy, but once you get 150 people in such a meeting for only a few days it's unreasonable to expect reform to appear in just six months or so," said Ting Tin-Yu, chairman of the independent public opinion research foundation.

Japanese laughing all the way to the bank

Cash in on royal romance

TOKYO, June 26. (Reuters): Her smile flashes from magazine covers. She bows shyly at television cameras spying on her morning jog. Her name makes headlines in every newspaper. One sports tabloid even declared it "Kiko-San week."

With just three days to go before Japan's Cinderella week, her prince charming, media frenzy over the royal romance has reached a giddy peak, and some of the common folk are laughing all the way to the bank.

On Friday, tall, Oxford-educated Prince Aya, 24, younger son of Japan's Emperor Akihito, will marry the love of his life, 23-year-old Kiko Kawashima, a fellow student and a commoner.

The demure Kawashima, or "Kiko-San" as she is known in the popular press, met Aya at Tokyo University when she joined a nature-appreciation society founded by the prince himself.

Reporters have combed Meiji, the district surrounding the campus and now dubbed the "imperial date course," for any spot where the couple wined, dined or strolled.

Women's weeklies have published dozens of "Aya-Kiko maps" with markers showing every nook and cranny where the lovebirds may have stopped.

From coffee shops where they met to the street crossing where Aya popped the question, young couples hoping some royal magic will rub off on them

mix with seasoned palace-watchers to pay homage maps in hand, to the place where the fairy-tale began.

Tanaka-ya, a coffee shop where Aya and Kiko shined came for Viennese coffee and Chou a Creme, has seen sales of the creamy cake double, said manager Katsuhisa Kubota.

A marine theme park in Kanagawa, near Tokyo, where the pair had their first "official" date after winning imperial approval of their engagement, has a special dolphin and seal show called "prince's wedding day seal kingdom show."

The park restaurant, where Aya ordered curry with cutlet while Kawashima chose the seafood curry, now offers the two dishes as special set meals, appropriately named "the couple set" at 1,400 yen (over nine dollars) including salad and coffee.

The same marine park sells replicas of the "caterpillar ring," the engagement band that Kawashima had specially made for her zoologist prince, who sells catfish research his life's work. The nearby aquarium has a special catfish exhibit.

Japan's young royal darlings have sparked other fads, too. The classic navy blue dress and string of pearls that softly spoken Kiko wore for the engagement announcement has sent pearl sales rocketing.

JLANGE/LITA

Taiwan's unofficial envoy in Tokyo

TOKYO, June 26, (Reuters): His grandfather ruled 500 million people, fought the Japanese imperial army and lost to the communists in a civil war. His father masterminded one of Asia's economic miracles and democratised his country.

Chiang Hsiao-Wu has a more humble station in life, though in some respects no easier. He heads Taiwan's unofficial embassy in Tokyo, seeking to put his government's case in a country where senior officials are banned from meeting him.

"I cannot compare myself with my glorious grandfather and father," he said in an interview in the spotless meeting room on the top floor of the Association of East Asian Relations.

Portraits

From the walls their portraits look down at him—Chiang Kai-shek, head of the Nationalist Republic of China from 1926 until his death in 1975, and Chiang Ching-Kuo, its prime minister in the 1970s and president from 1978 to 1988.

Born in April 1945 in his father's home province of Zhejiang in China, Chiang is the second son of Chiang Ching-Kuo and his Russian wife, whom he married while working in a Siberian factory in the 1930s, a virtual prison of Stalin.

When the communists drove the nationalists from the mainland, Chiang went with his family to Taiwan, where he graduated from the Chinese Culture University with a degree in Sino-American relations, before going to study politics at the Institute of Politics in Munich.

Schedule

"I saw much of my grandfather during my youth. He never changed his daily schedule whatever happened, with a walk of at least 1,000 paces after dinner, meditation and prayer," he recalled.

"Whenever I have a problem, I think of what my father and grandfather said in the past," he said.

Chiang was the most politically oriented of Chiang Ching-Kuo's three sons. The eldest contracted diabetes and later cancer of the throat. He died in 1989. The youngest is a businessman.

He has two half-brothers, who bear the name Chang. One is a senior official of the Nationalist Party in charge of foreign affairs and the other a university dean.

Chiang served for 10 years in top posts in broadcasting stations in Taiwan before being posted to Taiwan's trade office in Singapore in 1986 where he was deputy chief and then chief.

He took up the Tokyo post in January.

Respect

Although Singapore does not have full diplomatic relations with Taiwan, it has close military and economic ties and Prime Minister Lee Kuan Yew is a frequent visitor to Taipei.

"Whenever I wanted to see him, I could. He had good relations with my father. I respect Lee very much as a man of principle," Chiang said.

It is a different story in Tokyo, which broke relations with Taipei in 1972 when it recognised the communist government in Beijing.

Japanese government officials from above the level of deputy section chief are not officially allowed to see Chiang Hsiao-Wu or any of his staff. Beijing's embassy watches vigilantly for any exception to the rule.

Obstacles

"We face many obstacles and difficulties. But, due to the hard work of the staff here, we have friends in many circles in Japan, especially in the Parliament," Chiang said.

Parliament has two China-Japan associations, with 220 legislators belonging to the one which is pro-Taiwan. Chiang is unable to say how many of the 760 members of the two houses back Taipei, not Beijing.

It is an uphill job, with Tokyo keen to maintain good ties with Beijing despite the military crackdown on student-led protest last June and Beijing showing no sign of allowing Taiwan more diplomatic room as its president has requested.

The Taiwan press closely watches Chiang for any sign that he will try for high office and continue the dynasty.

"I do not think of it. My ideal is to serve my country and my compatriots, not to take part in political demonstrations. I do not think today of being a national leader nor will I tomorrow," he said.

US recalls Peace Corps

MANILA, Philippines, June 26, (AP): The US embassy has ordered all Peace Corps staffers to leave their posts and report to Manila because of reports that communists rebels plan to attack volunteers. American officials said today.

Ambassador Nicholas Platt issued the order last weekend but delayed the public announcement for security reasons, said embassy spokesman Stanley Schrager.

He said no decision had been made on when the 261 volunteers would be allowed to return to their posts in rural areas.

Schrager said the embassy had received a report that Peace Corps volunteers had been added to the target list of the New People's Army, which has been waging a 21-year insur-

gency to establish a Marxist state.

"This became an issue because recently we received information suggesting that Peace Corps volunteers may be targets of political violence by the NPA," Schrager said.

He refused to identify the source of the report but said the embassy took it seriously.

Communist rebels claimed responsibility for killing two American airmen last month near the US-run Clark Air Base and had vowed to kill more until all US troops leave the country.

Eight Americans are believed to have been slain by Filipino Marxist extremists since April 1989.

The rebels have made no specific public threats against Peace Corps volunteers but

have charged that US and Japanese aid workers were secretly assisting the Philippine government in its counter-insurgency operations.

Both Washington and Tokyo deny the charges.

Last month, the US government authorised "Imminent Danger Pay" for diplomats, troops and other federal employees because of communist threats.

Recently, the embassy warned all Americans to be on alert for terrorism in the Philippines before US and Philippine officials resume talks in August on the future of the six US military bases, whose lease expires in Sept 1991.

The rebels want the bases closed.



Imelda Marcos

Imelda 'was in thick of things'

NEW YORK, June 26, (AP): Imelda Marcos knew "dirty money" was used for investments that the former Philippine first lady and her husband made in the United States, a prosecutor told a jury in closing arguments yesterday.

"She wasn't just an outside observer who had things happening around her that she didn't know about," assistant US Attorney Charles Labella said.

"Imelda Marcos was not in a glass tomb. She was not afraid to venture into the business world," Labella said. "She was in the thick of things."

Mrs Marcos, 60, has been on trial since March 20 on charges of racketeering, racketeering conspiracy, mail fraud and obstruction of justice.

In a daylong closing statement yesterday, Labella said "powerful circumstantial evidence" had shown that the former Philippine first lady helped steal millions from her country's treasury and defrauded US banks in buying four New York office buildings, artworks and jewellery.

Khashoggi, he said, had agreed to help Mrs Marcos and her late husband, Marcos, circumvent a 1986 federal court order freezing their US assets "not as a favour, but for a fee."

Common sense

Labella repeatedly urged the jury to "use your common sense" in sorting out the complicated case, which involved testimony by 95 witnesses and thousands of documents over three months.

"You can be sure that when taken all together, the evidence will show Imelda Marcos and Adnan Khashoggi actively participated in the crimes charged in this indictment," he said.

Labella also urged the jury not to be swayed by the fact that Mrs Marcos fell ill three times during the trial.

"As hard as it may be for you, it's your responsibility to make a decision solely on the facts," he said.

Marcos defense attorney Gerry Spence was to present his final argument when court resumed. Khashoggi's attorneys were to follow, with the case expected to go to the jury on Thursday.

US District Judge John F. Keenan said he planned to sequester the jury during deliberations.

Mrs Marcos could draw a sentence of up to 50 years in prison and a \$1 million fine if convicted on charges of racketeering, conspiracy, mail fraud and obstruction of justice.

Khashoggi, 54, faces up to 10 years in prison and fines of \$500,000 if convicted of mail fraud and obstructing justice.

Aware

In his closing statement, Labella said that both Mrs Marcos and Khashoggi had used trusted aides to conduct their financial dealings but that both were fully aware of what was going on.

He called Mrs Marcos the "driving force" in the purchase of the New York buildings, in which her closest friend, Gliceria Tantoco, and personal secretary Fe Roa Gimenez, played key roles.

Gimenez and Tantoco also allegedly acted as her agents in the purchase of a \$6 million art collection and millions of additional dollars spent on jewellery and personal expenses.

Muslims forge truce

Month-long feud took 17 lives

ZAMBOANGA, Philippines, June 26, (Reuters): Two warring Muslim politicians, whose followers arm themselves with mortar bombs and grenade launchers, forged a truce in the southern Philippines today after a month-long feud took 17 lives.

Scores of people were wounded, several houses were burned and 3,000 residents fled from the main town of the remote island of Jolo during clashes between followers of the vice-governor of Sulu province and the mayor of Jolo, a military spokesman said.

Tulawe was shot dead by supporters of Jolo mayor Suod Tan after a drinking bout.

Nine people, including Tulawe's brother, were killed on June 4 when the vice-governor's men entered a village controlled by Tan's group to arrest the policeman's killer and were fired on.

Another seven people were killed, including two soldiers acting as Tan's bodyguards, and several houses were burned in fighting on Monday and Tuesday in which the two groups used mortars and grenade launchers, military reports said.

Brigadier-General Roger Deina, regional paramilitary constabulary commander, flew to Jolo today to arrange the ceasefire, a military spokesman said.

A spokesman for a shipping company that sails vessels between Jolo and the nearby southern port of Zamboanga said its ships could not anchor off Jolo pier because of heavy smoke enveloping the town before the ceasefire was announced.

Jolo was the scene of fierce fighting at the height of the Muslim separatist war in the 1970s, when more than 50,000 people in the southern Philippines were killed.

■ Soldiers killed 100 communist rebels in one encounter and a guerrilla land mine killed three policemen elsewhere, the military said today.

Negros island command chief Brig. Gen. Raymundo Jarque said an army patrol encountered about 60 New People's Army rebels yesterday in San Carlos town, 530 kms (330 miles) south of Manila.

man said. Jolo has traditionally been a political hot spot, serving as a stronghold for separatist rebels who have fought over the years for Muslim self-rule on the big southern island of Mindanao, 80 km (500 miles) south of Manila.

Rivalry among Muslim politicians has sharpened tension in the area.

The military said the latest clashes began on June 3 when a policeman cousin of Vice-Governor Kimar

'Percy' hits Luzon

MANILA, June 26, (AP): Heavy rains and gusty winds battered Catanduanes island today as typhoon Percy churned toward provinces of the main island, Luzon that bore the brunt of a storm that killed at least 40 people last week.

In Manila, an 83-year-old woman was believed killed after a landslide destroyed her house near a creek in suburban duezon city.

Soil loosened by continuous rain buried about six creekside shanties last night. Authorities have not recovered the old woman's body. No other casualties were reported.

The weather bureau said Percy was expected to hit land in Aparri town, 434 kms (265 miles) north of Manila, by noon Wednesday.

Woman guilty

Gun smuggling

MANILA, June 26, (UPI): A US model who skipped bail on gun smuggling charges and fled to the United States was found guilty by a criminal court today and sentenced to 17 to 20 years in jail.

Judge Fernin Martin said, however, the punishment imposed against Dominique Adams, 23, a commercial model from Provo, Utah, "could only be implemented if she makes the mistake of coming back to the Philippines."

The Philippines has no extradition treaty with the United States.

"She stood a good chance of being acquitted," Martin said. "But you know when you jump bail that is an indication of guilt. It shows an awareness that you think that your defence is not tenable."

The 12-page decision was read to Adams' lawyer, Renon Cruz, in an empty courtroom in suburban Pasay City.

Aquino quickly added, "but this is neither here nor there because as I have said — what I am interested in is just getting the projects and programmes of this government, especially those intended to alleviate poverty to be fast tracked and to see their completion before the end of my term."

The 57-year-old president was referring to the political movement she formed this month, Kabisig, or "Arm in arm."

Kabisig has elicited severe criticism among allies in the ruling coalition who fear it would serve as the vehicle for Aquino's re-election.

Aquino has said that Kabisig was an effort to revive the spirit of "people power" that emerged in February 1986 when Filipinos rallied to support a military revolt that toppled the late 20-year ruler Ferdinand Marcos and swept her to power.

Aquino, who has crushed six coup attempts since taking office, has repeatedly said she would not seek re-election at the completion of her six-year term in May 1992.

But a close aide who did not wish to be named said Aquino might stand for re-election if she felt the ideals she fought for would be compromised by a new administration.

The aide specifically referred to Eduardo Cojuangco, 55, Aquino's estranged cousin and a close Marcos ally who fled on the same plane to the United States in 1986. Cojuangco returned quietly to the country last year and has hinted he wanted to be president.

"Cojuangco stands for everything that she fought against," said the Aquino aide.

■ Aquino has sent goodwill envoys to all members of the Organisation of Islamic Conference with peace signals for Muslim rebels, a Filipino Muslim senator said today.



Training camp

Liberian rebel fighters of the National Patriotic Front (NPF) clean their AK-47 assault rifles in a rebel training camp along the border with the Ivory Coast. The rebel fighters have advanced within 30 kms of the capital Monrovia. (Reuters wirephoto)

Violence goes on in Zambia

Three civilians killed

LUSAKA, Zambia, June 26, (AP): Violent protests against increased food prices continued today as officials acknowledged at least three civilians had died when police opened fire on stone-throwing rioters.

One policeman also died yesterday after being stoned by angry mobs, police said, and at least 41 people were injured.

Police and troops were out in force today, but there was no indication of additional casualties or arrests.

Rioters hurled stones at police and civilian vehicles as President Kenneth Kaunda returned to the capital, Lusaka, for emergency meetings with government officials and political advisers. Kaunda cut short a 10-day vacation at his private lodge at Mfuwe in eastern Zambia.

Troops sealed off the city centre, and most suburban shops and gas stations were closed. Children who arrived at schools were immediately sent home.

Lusaka residents said gunshots could be heard in several districts and at least one large supermarket in Kabulonga suburb was broken into and looted.

In the first official statement on the unrest, hospital authorities said three civilians, including a 3-year-old girl, died from gunshot wounds and 41 people were injured yesterday.

The policeman who died was stoned by mobs during a police search of homes in the eastern suburb of Kalingalinga, police spokesman Andrew Kaitisha said.

The spokesman gave no details of other police casualties but said how many protesters were arrested, but university students who led yesterday's protests said up to 30 of their colleagues were detained.

The state-run Zambia Daily Mail reported today that more than 100 people were being held at police stations across Lusaka.

Frank Mainga, spokesman at

the main hospital in Lusaka, said most people wounded in the rioting were treated for gunshot injuries, fractures evidently from beatings with truncheons or rifle butts and lacerations from broken glass.

Early today, army helicopters flew low over the Zambia University campus and key trouble spots nearby.

Student leaders meeting at the campus, however, vowed to continue with protests against a doubling of the price of Zambia's staple food, corn meal, and called for political reforms.

They jeered police and chanted "Kaunda must go," "Cast-iron Kaunda" and "Long live multiparty."

In yesterday's rioting, flag-burning students demanded an end to nearly two decades of one-party rule headed by Kaunda.

The protests gave way to widespread looting, and police surrounded downtown banks, stores and government office blocks after several Asian-owned shops were ransacked.

Last Tuesday, the government more than doubled the price of corn meal from 114.50 kwacha (\$2.79) to 269 kwacha (\$6.56) for a 25-kilogramme (55-pound) bag.

The increases were recommended by financial agencies and donor nations as part of a Western-style economic salvage programme for one of Africa's poorest nations.

Similar price increases in 1986 led to violent clashes between troops and rioters that left 15 people dead.

The Lusaka University has been closed on several occasions in the past after student demonstrations against the government.

The Students' Union was banned under Zambia's state of emergency laws in 1986.

Earlier this year, Kaunda promised to hold a referendum on the future of Zambia's one-party system, but no date has been set for the vote.

Pressure mounts for Doe to resign

MONROVIA, June 26, (Reuters): Thousands of Christians and Muslims, some shouting for the resignation of President Samuel Doe, marched past soldiers in Monrovia today waving palm fronds for peace in Liberia's civil war.

It was the first time Liberians had called openly for Doe to step down to help end a bloody six-month war which has brought rebels to within striking distance of the capital Monrovia.

Church leaders said they had organised a peace march and had urged followers not to challenge Doe.

As the gospel singing crowds surged down the hill into Monrovia they broke into chants of "step down Doe" and "Samuel Doe you gotta go."

The march was bigger than two weeks ago when churchmen braved death threats to demonstrate.

Soldiers, some smelling of alcohol, were posted at points along the four-km (two mile) route. One with bloodshot eyes levelled an automatic rifle at marchers and pulled out a hand grenade as people brushed by him singing "put away your guns."

A breakaway group of 400 demonstrators paraded past the United States embassy chanting "Doe must go."

Bishop William Dixon, leading the march in pouring rain, asked security men to pull back the soldiers but they refused.

The march's Muslim and Christian organisers urged the United States to intervene directly to halt the war in which diplomats estimate several thousand people have been killed.

Washington has sent a naval task force with 2,000 marines off Liberia to evacuate the few Americans still here but it has ruled out helping either side.

The United States has communications installations in Liberia, which was founded by freed American slaves.

Call for all-out mobilisation

ADDIS ABABA, June 26, (Reuters): Ethiopia's parliament has called for all-out mobilisation to meet a growing threat from rebel forces that have dealt heavy blows to government troops in recent weeks.

Ending its current session last night, the Shengo (parliament) adopted a resolution calling for "non-stop recruitment to the country's armed forces and the call up of retired security personnel to help the war effort."

Ethiopian radio said the resolution noted immediate action was required to stem rebel advances.

President Mengistu Haile Mariam told parliament last Thursday the country was on the verge of collapse and urged people to rally and save the nation.

8pc of Amazon destroyed

Loggers and ranchers have already burnt down more than eight per cent of the Amazon rainforest and the destruction is accelerating, the Brazilian government said on Monday.

Presenting Brazil's most comprehensive survey to date of deforestation, Science and Technology Secretary Jose Goldenberg said settlers laid waste to 46,000 square km (17,760 square miles)—an area bigger than Switzerland—in the 1988 to 1989 season alone.

This was almost twice the average rate of destruction during the 1980s, Goldenberg added, and a clear sign that the rate of the rainforest was speeding up. (Reuters)

Ecuador suspends licence: Under pressure from environmental groups, the Ecuadorian government has suspended a licence to build a luxury resort on the Galapagos Islands, whose unique varieties of wildlife draw thousands of visitors every year.

The decision comes to the fact that a commission has been charged with designing an overall plan to develop tourism for the Galapagos Islands. Presidential Minister Washington Herrera said in a statement on Monday.

Mexican village swept away: The Pacific Ocean, stirred up by movement on its seabed, has swept away a 300-home fishing village on the southern coast of Mexico, a Red Cross official said on Monday.

The residents of Cuajinicuilapa village, some 200 miles (320 km) south of Mexico City, avoided casualties by evacuating their homes last week when the high tide first cleared their doorsteps.

"The sea rose and it devoured the whole village," Carlos Lopez, spokesman for the National Disaster Committee of the Mexican Red Cross, told Reuters in a telephone interview.

"The village of Cuajinicuilapa has disappeared," (Reuters)

Fujimori to visit Japan: The Japanese government announced Tuesday that Peruvian president-elect Alberto Fujimori will visit Japan July 1-5.

During his stay, Alberto will hold talks with Japanese Premier Kiichi Kaifu and will call on Japanese Emperor Akihito.

Fujimori was a former university dean, with no political background.

Fujimori will be inaugurated as president of Peru on July 28 after concluding his visit to the US, Japan and South Korea.

Torture commonplace: Torture is a routine part of police procedure in Mexico but the authorities are making efforts to stop it, the government newspaper El Nacional reported on Monday.

"Bit by bit we are making progress towards rooting out torture from the police forces," Ignacio Carrillo Preito, head of the government-run National Institute of Penal Sciences, was quoted as saying in an interview.

He acknowledged that torture is still commonly used by Mexican police as "a method of intimidation." (Reuters)

No confidence vote defeated: The speaker of the Antigua House of Representatives stopped the opposition Monday from presenting a motion for a vote of no confidence against the government in the wake of an arms scandal.

Speaker Casford Murray also blocked a motion presented by opposition leader Baldwin Spencer seeking to open debate on the scandal, in which a shipment of arms sold to Antigua and Barbuda by Israel in April 1988 ended up in the hands of a Colombian drug baron. (AP)

Soviet warships in Havana: Three Soviet warships arrived in Havana on Monday for a week-long courtesy visit that Cuban naval forces described as belying Western predictions of strained Soviet-Cuban relations.

The anti-submarine cruiser Azov, destroyer Gremyachiy and tanker G. Gasanov were greeted by a naval band and a 21-gun salute as they entered Havana Bay. (Reuters)

Dutch tourists attacked: Gunmen robbed six Dutch tourists and killed their minivan driver in an isolated region north of Mount Kenya, an official at the Royal Netherlands Embassy said today.

The official, who declined to give his name, said the attackers shot the minivan driver "in cold blood" before robbing the tourists of their belongings.

The attack occurred Thursday in Samburu, about 250 kms (155 miles) north of Nairobi.

Police found the belongings in the bush three days later and returned them to the tourists, who were uninjured but "shaken tremendously," the spokeswoman said. (AP)

Dos Santos for free polls: President Jose Eduardo dos Santos accepted the principle of free elections on Angola's 15-year-old civil war ends, news reports said yesterday.

Angola's state news agency Angop quoted Dos Santos as saying the Angolan people must decide whether they want a multi-party system.

"We accept the principle of free general elections so that the people can make the fundamental decision — a single or a multi-party system," Angop quoted Dos Santos as saying.

The government daily Jornal de Angola said some decisions on political reform could be made at an upcoming central committee meeting of the ruling Popular Movement for the Liberation of Angola, or MPLA. (AP)

Arab bank loan to Rwanda: The Arab Bank for Economic Development in Africa has loaned Rwanda \$10.2 million to boost irrigated rice output, the Agriculture Ministry said today.

The 25-year loan, with a six-year grace period, carries two per cent interest.

The bank, based in Sudan, is funded by the League of Arab states, with Saudi Arabia as the main shareholder. (Reuters)

Tribute to Babangida: A former World Bank president and United States defence secretary has paid glowing tribute to the courage and determination exhibited by the Babangida administration in implementing its structural adjustment programme (SAP).

Speaking after a meeting with President Ibrahim Babangida, Robert McNamara commended the administration's stand in refusing to be dictated by the International Monetary Fund (IMF) and other international finance agencies in its bid to revamp the Nigerian economy.

He praised the administration for developing its own structural adjustment programme with the active participation of the people and refusing to allow its effective implementation to be deterred in spite of the controversies surrounding the move.

McNamara said that he had always maintained that it was wrong for the IMF and World Bank to dictate to sovereign states on such matters. (Opecna)



Skull examined

Two Egyptian archaeologists examine a skull extracted from a newly discovered 4,600-year-old cemetery southeast of Giza pyramids. One of the tombs in the cemetery is believed to belong to one of the foremen who oversaw the building of the pyramids. (Reuters wirephoto)

Avoids testifying

Brando girl runs away

LOS ANGELES, June 26, (Reuters): The 20-year-old daughter of reclusive film star Marlon Brando has fled to Tahiti to avoid testifying against her half-brother who is charged with murdering her boyfriend, a prosecution lawyer said yesterday.

Deputy district attorney Steven Barshop told reporters that Cheyenne Brando had refused to return from the Pacific Island to give evidence against Christian Brando, 32, shot and killed her boyfriend, Tahitian Des Drollet, in a fit of anger.

Defence attorneys have not disputed that Christian Brando shot Drollet, but claimed it was a tragic accident. Brando, they said, was drunk when he pulled the trigger during a violent argument with Drollet last month and did not mean to kill him.

According to statements given to police, Cheyenne, who is five months pregnant with Drollet's child, was the subject of the fatal argument. She had told her half-brother that Drollet had been "slapping her about" despite her pregnancy.

But in a statement to detectives, Marlon Brando, the star of films including "The Godfather" and "A Street Car Named Desire," said his daughter was suffering from "psychological problems" and had made a number of unfounded allegations against family members. He said Cheyenne was undergoing psychiatric treatment.

Christian Brando, who is being held without bail on a charge of first degree murder, is Brando's son through his first wife, actress Anna Kashfi.

A preliminary hearing was set for July 23 to decide whether there is enough evidence for a trial.

Sheela charged Plot to kill

PORTLAND, Oregon, June 26, (UPI): Federal authorities want to extradite the fiery personal secretary of the late Bhagwan Shree Rajneesh and charge her with plotting to kill a federal prosecutor, a published report said today.

The Oregonian newspaper said it has learned prosecutors are preparing a new criminal case against the woman, Ma Anand Sheela, who has been living in Germany since her release from a federal prison in California.

US attorney Charles Turner declined comment on the report that he was a target of the murder plot and the newspaper did not identify its sources.

Sheela served 29 months in prison for crimes committed while followers of the late Indian guru lived on a former Oregon cattle ranch in the early 1980s. She pleaded guilty to immigration fraud, attempted murder, arson and poisoning 750 residents of the Dalles, Oregon, by infecting restaurant salad bars with salmonella bacteria.

At the time of her arrest, authorities revealed through court documents they knew of a plot by Sheela to have a band of women Waylay Turner on his way home from work in Portland and kill him with pistols. The plot was never carried out and Sheela was never prosecuted for it.

The newspaper said it's sources would not reveal why the investigation was being reopened.

Informants told the FBI in 1985 that Sheela wanted to assassinate Turner to slow his investigation of alleged crimes at the guru's commune in Oregon's Wasco County. But at about the time the plot was to be carried out, Sheela was ousted from power and forced to leave the commune.

Young novices

Young hilltribe novices carrying lotus flowers walk into a temple in Bangkok yesterday during an ordination ceremony to mark the Buddhist Lent which falls on July 8 this year. 150 hilltribe youngsters from northern part of the country took part in the annual ceremony. (Reuters wirephoto)

Bull gores runner

A bull gores a 38-year-old man to death early Tuesday when the man tripped and fell during the annual running of the bulls fiesta in this southwestern town, the Caceres province civil governor's office said.

The bull's horn broke the skull of Jesus Martinez, Dominquez after he fell in a narrow, cobblestoned street while trying to jump a wooden fence to avoid six bulls running behind him, the statement said.

The death occurred at 4 am (0200 GMT) in this town of 12,000 people, 240 kms (149 miles) west of Madrid, the Spanish capital, the statement said. (AP)

Mercuri for mayor: Athens socialists want Melina Mercuri, the actress and politician, to run for mayor in municipal elections in October.

Grassroots organisations of the Panhellenic Socialist Movement (Pasok) voted Sunday to back Mercuri's candidacy. The party's executive will be asked to ratify the move.

If elected, Mercuri will follow her grandfather Spyros Mercuris, a conservative mayor of Athens earlier this century.

The 68-year-old celebrity told journalists Monday she was "deeply moved" by the nomination. (AP)

New drug experiment: Researchers in Basle are experimenting with a new drug called Buprenorphine, which may effectively treat people who are addicted to both heroin and cocaine.

First found to be useful in helping heroin-dependent patients to quit, the drug now also offers "exciting promise" for cocaine addiction, according to the association of research-based pharmaceutical firms in Basle, Switzerland.

This drug has been shown to suppress the craving for heroin in human addicts and also to block the euphoric effects of heroin. Buprenorphine has a mildly euphoric effect, making it acceptable to such patients. (Kuna)

Mafia boss shot dead: An Italian mafia boss was riddled with bullets by two gunmen as he lay asleep in his hospital bed on Monday.

Police said the killers pumped at least 20 bullets into the head and body of Giuseppe Oliverio, 44, after entering his fourth-floor hospital room in Naples in the early hours of Monday morning.

Oliverio, the leader of a mafia clan in the Sarno region 30 km (18 miles) east of Naples, was admitted to hospital a week ago with a heart complaint. (Reuters)

New curbs on smoking: The French government stepped up its fight against tobacco on Monday, announcing new curbs on smoking in trains.

The French National Railroad and the Health Ministry signed an agreement banning smoking on all Paris commuter lines from Jan 1, 1991. Smoking is already illegal on the underground railway.

Smokers' share of seats on major train routes will drop by 1993 to 30 per cent from the current 50 per cent and beginning next year smokers will not be able to light up in corridors or platforms. (Reuters)

Damage to ozone layer: The British environmental group Friends of the Earth warned Tuesday that damage to the Earth's protective ozone layer could spark a global wave of life-threatening diseases.

Scientists are convinced that the Earth's ozone layer, which protects against harmful cancer-causing solar radiation, is being destroyed by chemicals used in refrigeration, air conditioning equipment and aerosols.

In a report released this morning, the group cited new research by Margaret Kripe, an immunologist at Texas University in the USA, showing that extra solar radiation also decreases immunity against the bacteria which causes diseases such as leprosy and tuberculosis. (Kuna)

Protecting wetlands: Scientists and government officials from 30 countries meet in Switzerland on Wednesday to discuss how the world can protect its threatened wetlands, home of countless species of birds, fish and plants.

More than two-thirds of the world's fish-catch breed in wetlands, which also help to control floods, stabilise shorelines and provide water for farming.

"Until recently, most people considered marshes and swamps as useless and dangerous places swarming with snakes and infested with mosquitoes," said Daniel Navid, secretary-general of the Convention of Wetlands of International Importance. (Reuters)

Bohan takes over Hartnell: Marc Bohan, the former designer for Christian Dior, took over Monday as artistic director at Norman Hartnell, a fashion house that has dressed two generations of British royalty.

Bohan pledged to keep up the royal connection while expanding into the international marketplace.

The appointment of 63-year-old Bohan is considered a coup by Hartnell's chairman, Manny Silverman, who led a consortium that rescued Hartnell from the brink of bankruptcy in 1987.

The house has been looking for a top designer for three years. (AP)

Lisbet Palme elected: Lisbet Palme, widow of the late Swedish Prime Minister Olof Palme, was elected on Monday as chairman of the 41-member executive board of the UN Children's Fund (Unicef) for 1990-91.

Lisbet, who was elected in his absence, is also chairman of the Swedish National Committee for Unicef. (Reuters)



Soldiers practice

People's Liberation Army soldiers practice combat drill with assault rifles outside the Museum of Revolution in Beijing's Tiananmen Square June 26. Security around the capital remains tight despite the departure of dissident Fang Lizhi from the US Embassy more than a year after the crackdown on the democracy movement. (Reuters wirephoto)

Doctors, experts convinced disease will soon be under control

Optimism: new word in Aids vocabulary

SAN FRANCISCO, California, June 26, (AP): A new word has quietly slipped into the vocabulary of doctors and scientists who are on the battle lines against Aids: Optimism.

With 130,000 already sick or dead and at least 1 million infected in America, Aids is a huge US health problem.

The World Health Organisation has estimated that the world-wide number of Aids cases will double to more than 1 million by 1991 and climb to almost 6 million by the end of the 1990s.

But for the first time since the epidemic emerged almost a decade ago, experts seem uniformly convinced that Aids will someday — and perhaps soon — be brought under medical control.

Researchers at the sixth international conference on Aids, which concluded Sunday, pointed to these hopeful signs:

Aids

Midway to return to sea: The aircraft carrier Midway will return to sea Friday morning for routine flight operations after a pair of explosions killed two sailors and injured 16 last week, US military officials said Tuesday.

The 45-year-old Midway was rocked by two explosions while on routine manoeuvres June 20 off the coast of Japan.

Three of the injured sailors, one still in serious condition, remain at the hospital at the Yokosuka naval base, the Midway's home port, said Cmdr Mark Neubart, public affairs officer of the US 7th fleet. (UPI)

Held for videotaping underwear: A 41-year-old Tokyo office worker was arrested for covertly videotaping a woman's underwear while she was shopping, police said Monday.

The man was arrested on Saturday after the woman's boyfriend found him with a video camera hidden in a bag set on the floor with the lens pointing up, they said. (Reuters)

Japan tightens luggage security: Japan plans to tighten luggage security checks at its six international airports from October to guard against terrorism, a Transport Ministry spokesman said on Monday.

The ministry was negotiating to split costs with a number of airlines that currently do not X-ray incoming and outgoing luggage on flights to and from Japan, he said. (Reuters)

Islam welcomes 'tajdid': Islam always welcomes "tajdid" or "modernisation" in principle but may not accept a specific modernity in its totality, said Dr Farhi Othman, a well-known scholar and writer on Islamic studies.

"The whole package or pattern of modernity has proved to include many shortcomings and negatives in various fields, and while we should benefit from the human experience it is meaningless to face troubles that we can avoid," he said in a public address entitled "Islam and modernity" at an international conference on Islamic civilisation in Kuala Lumpur, today. (Kuna)

Soviets claim Spacecraft is not in trouble

MOSCOW, June 26, (Reuters): Soviet space officials denied yesterday that the lives of two cosmonauts aboard the orbiting space station Mir were in danger because of damage to their spacecraft.

Mission head Vladimir Solovoyov told Soviet television the situation aboard the station was normal.

He dismissed Soviet news reports that cosmonauts Anatoly Solovoyov and Alexander Balandin would have to repair torn insulation on their Soyuz TM-9 spacecraft during a space walk before they could return to Earth.

Solovoyov said they would merely inspect the damage to the craft, which has been docked with Mir since February. He said one, possibly two, space walks would be needed to determine the cause of the damage and to prevent a recurrence.

"It is utterly stupid to over-dramatise the situation when it does not go beyond the normal course of events," he said.

— The epidemic in the United States appears to be leveling off. The number of new Aids deaths is sharply lower than what researchers a few years ago had projected it would be by now.

Many new drugs are in the works that will attack the Aids virus at every stage of its life cycle. Combinations of medicines may be powerful tools for postponing or halting the development of Aids in people infected with the virus, HIV.

— Creating an Aids vaccine to stop infections — until recently considered a questionable prospect — appears to be much more likely during the 1990s.

— There is a fair amount of optimism with the current drugs, and this will be added to when we have other drugs to combine with them," said the conference chairman, Dr Paul Volberding of the University of California, San Francisco. Despite the positive developments during the

past year, no one is talking seriously about curing Aids. Instead, the goal is to turn HIV infection into a manageable chronic condition, like diabetes or high blood pressure.

— The virus continues to move beyond its initial victims — homosexual men and intravenous drug abusers.

In the United States, women and children are increasingly becoming targets as HIV spreads through sex from men to women and in the womb from mothers to fetuses. Around the world, perhaps 8 million people are already infected, and the epidemic still seems to be gaining momentum.

HIV is now part of the global environment, and the global potential for HIV spread remains vast, cautioned Jonathan Mann, former head of the world health association's global programme on Aids.

Drugs go up in smoke

A Thai policeman pours gasoline on a pile of drugs before burning them in an annual destruction ceremony in Bangkok June 26. The Thai government destroyed about 1,000 kgs of illicit drugs this year. (Reuters wirephoto)

Killers executed: A murderer who was once a voodoo priest died of a lethal injection Tuesday after uttering the words "Hare Krishna" three hours after another killer was put to death in Arkansas for the worst US mass slaying of a family.

James Edward Smith, 37, was pronounced dead from the injection given at the state prison in Huntsville, Texas, at 12.31 am, minutes after the US supreme court denied two motions to delay the execution.

Ronald Gene Simmons, 49, was put to death by lethal injection at Cummins Prison in Pine Bluff, Arkansas at 9.19 pm Monday becoming the 131st person executed since the supreme court reinstated capital punishment in 1976. Smith was the 132nd.

Smith ended his final statement in which he denied guilt with a wink, a smile and the Krishna blessing before the drugs were administered at 12.19 am. (UPI)

Patient released: The second patient to undergo a controversial Aids treatment that involved heating his body to 108 degrees (42 C) was discharged from the hospital Monday in good condition, his doctor said.

Tony Mascio, 38, of Chicago underwent the experimental hyperthermia procedure, previously used only as a cancer treatment, June 14 at the Atlanta Hospital and Medical Centre.

Mascio remained in the hospital for 11 days to allow doctors to treat the Aids-related Kaposi's sarcoma cancers that had grown on his liver, tonsils and lungs, they said.

"Tony left the hospital in good condition," Dr Kenneth Alonso said in a statement. "Significant remission in Tony's Kaposi's sarcoma has been noted. However, it will be at least 30 days before initial assessment of his HIV status can be determined." (UPI)

Action on climate: A task force of state governors called on President George Bush on Monday to quickly implement a consensus report calling for immediate action to deal with global climate warming.

The group, led by Illinois Gov. James Thompson, reported that Bush seemed more receptive than in the past to considering changes in US policy and to exerting leadership to persuade the community of nations to join in combatting global warming.

Military strength: The strength of US armed forces declined by 6,275 in May, according to preliminary figures released Monday by the Defence Department.

The announcement said 2,056,625 persons wore Army, Navy, Marine Corps and Air Force uniforms as of May 31.

The figure took into account full-time regulars, reserves on active duty, and officer candidates including cadets at the three military academies.

On the same date last year, 2,110,615 people were in the armed forces. (AP)

Homosexuals parade: More than 500,000 people across America took to the streets in gay pride celebrations that mixed solemn protests over Aids with cheering by lesbian bikers and men in mermaid costumes.

"It's the one time of the year that we really show our strength and our unity and our solidarity. We celebrate our pride. We let the world know that we're not going to go back in the closet," said Bill Anderson, a spokesman for the 21st annual parade in New York that drew about 200,000 people.

Marches, rallies and parades were held in 25 cities nationwide. The largest crowds gathered for parades in New York; San Francisco, and Los Angeles, California.

In New York's parade, which was led by lesbians on motorcycles, marchers halted and kept silent for a few minutes in memory of those who have died from Aids. They held up satin ribbons each bearing the name of someone lost to Aids. (AP)

Valve for Columbia: A fuel valve from the unfinished space shuttle Endeavour will be removed and connected to the shuttle Columbia, which has been grounded because of a hydrogen leak, the US space agency said Monday.

Shuttle director Robert Crippen approved the transfer after engineers at Rockwell International Corp., which is building the Endeavour, failed to find a leak in hydrogen lines that had been removed from Columbia's external tank tank.

That confirmed the National Aeronautics and Space Administration's suspicion the leak was in plumbing in the orbiter rather than in the tank.

The 17-inch (43 cms) disconnect valve is in a pipe that carries liquid hydrogen from the external tank to the main engines. It will be removed and replaced by the one from Endeavour. (AP)

Rotary president: An Indian businessman was elected president of Rotary International as some 7,000 convention delegates began an annual meeting.

Rajendra Saboo of Chandigarh is managing director of Groz-Beecker Saboo Ltd., a manufacturer of hosiery machine needles. A Rotarian since 1961, Saboo previously served as a district governor of Rotary International.

His two-year term as president of the organization begins in July 1991.

Eight directors also were elected Monday to two-year terms: Albert Auziach of France; Marcelino B.S. Chaves of Portugal; Bernardo Gomez Vega of Mexico; Elmer Jordan of California; Richard Kendall of Indiana; Ralph McLaughlin of Texas; Meda K. Panduranga Setty of India and Roy J.A. Whitby of England. (AP)

Soviet pilgrims treated as special guests

Religious fervour over Haj

RIYADH, June 26. (AP): Religious fervour is sweeping Saudi Arabia, home of Islam's two holiest shrines, as the annual Muslim pilgrimage, or Haj, to Makkah moves toward its climax.

Radio and television programmes are dominated by news of the pilgrimage and prayers and King Fahd has moved to Makkah birthplace of the Holy Prophet Mohammed (PBUH) who founded Islam in the 6th century, as is customary for the last days of the Haj season.

There are an estimated 1 billion Muslims around the world, and every Muslim who is financially and physically able must perform the Haj at least once in life.

By the Islamic lunar calendar, the Haj culminates July 1 and the following morning the three-day Eid Al Adha, or feast of sacrifice commences.

At dawn, the Hajis slaughter sheep to commemorate the readiness of the Prophet Abraham (PBUH), also revered by Muslims, to sacrifice his son.

For months each year, the kingdom physically and spiritually prepares itself for the ritual in which some 2 million Muslims from more than 60 countries and

the kingdom itself, converge on Makkah and neighbouring Madina, the Prophet's burial site.

During the Haj, the summer heat sometimes soars above 50 degrees Celsius (120 Fahrenheit).

One Saudi who has made the pilgrimage 10 times noted: "If you think of it as a way of thanking God for all you have, then it's not difficult."

The Saudis mobilise on a national scale to attend to the pilgrims' needs once the first groups in their white "Ihram" garments begin the trek to Makkah by air, land and sea weeks before the climax of the Haj.

The Islamic Development Bank has imported more than 500,000 head of sheep from New Zealand for the ritual sacrifice. Some 30,000 pilgrims a day arrive at Jeddah's King Abdul Aziz International Airport, and its massive tent-like Haj terminal.

The Hajis chant "Labbaik Allahumma Labbaik" or "We respond to Your summons O Allah" as a fleet of 7,500 buses transports them to Makkah, 38 miles (60 kms) north of Jeddah.

According to the Haj research centre in

Makkah, more than 5,000 vehicles an hour enter the holy city during this final Haj week.

Scores of health centres, mobile clinics and rescue aircraft stand by to assist the ailing. The dead persons affairs administration attends to those who die performing the Haj. Many pilgrims reach old age by the time they can afford to make the Haj.

Food stands and trucks distributing bags of iced water donated by King Fahd make their way through the crowd.

Always security conscious, the kingdom becomes even more vigilant during the Haj. Violence has marred the pilgrimage three times in the past decade.

Sunni Muslim fundamentalists seized Makkah's Grand Mosque in 1979 and in 1986 more than 400 people were killed in riots which the Saudis say were instigated by Shiite Muslim Iranian pilgrims.

Last year, several bombs exploded in Makkah, killing one pilgrim and injuring another 16.

The government now goes to great lengths to remind potential troublemakers that Saudi Arabia practices swift Islamic justice.



An Israeli policeman searches a Palestinian June 26 as other Palestinians are detained following the bombing (Reuters wirephoto)

Arens fails to find any

Blast at Jerusalem city bus stop injures two

BETHLEHEM, (Occupied West Bank), June 26, (Reuters): Defence Minister Moshe Arens today went looking for Palestinians in the occupied West Bank who do not support the PLO, but failed to find any.

Israel's new rightwing government is seeking alternatives to Palestinian leaders in the Israeli-occupied territories who overwhelmingly back the Palestine Liberation Organisation.

"There are 1.5 million Palestinians and I have no doubt we will find among them people with leadership abilities," Arens told reporters

after meeting Bethlehem mayor Elias Freij and the mayors of the nearby Arab towns of Beit Sahour and Beit Jalla.

Freij welcomed the meeting with Arens but said Arabs in the West Bank and Gaza Strip saw the PLO as their sole representative.

"We told Arens the Palestinians would have to be represented by the PLO or delegates approved by the PLO," he told Reuters after the meeting.

"Israel will not succeed in finding alternatives to the PLO in the territories. This is the position we clearly explained to him," he said.

Tias calls on army to be vigilant

Arens was undaunted: "There are official positions... but I hear there is wide acceptance of Israel's peace initiative to hold elections and talks with those elected," he said.

Freij said Arens had promised to release many Arab detainees ahead of next week's Eid Al Adha Muslim festival and continue the gradual re-opening of Palestinian universities closed when the Palestinian uprising against Israeli rule erupted in the territories 30 months ago.

Foreign Minister David Levy said earlier today that Israel favoured US peace proposals but would never allow Palestinian detainees or residents of Israeli-annexed East Jerusalem to be partners to dialogue.

"I favour that Israel say yes to (US Secretary of State) Baker and no to the PLO," Levy told reporters.

"Yes to Baker on the peace initiative, no to Baker on the question of deportees who are picked by the PLO... Israel will also not agree to the participation of Arabs from Jerusalem," Levy said.

Levy's remarks highlighted the hardened terms for peace being set by Israel's new rightwing coalition. In its policy guidelines, the government said Arabs from Israeli-annexed East Jerusalem may not vote or stand in the proposed Palestinian elections and that autonomy would not apply there.

Earlier today, Finance Ministry Yitzhak Mordechai echoed statements by cabinet colleagues and said Israel would comply with a Soviet demand not to settle immigrants in the occupied territories.

In the latest round of violence in Jerusalem a bomb at a city bus stop wounded two Jewish women.

The two women suffered slight leg injuries when the bomb shattered the glass-enclosed bus shelter and were taken by ambulance to Bikur Holim Hospital for treatment, Jerusalem police spokesman Uzi Sandori said.

Police set up roadblocks and searched the area for suspects and additional bombs. Sandori said some 30 Arab suspects were rounded up.

Jerusalem police commander Arich Bibi asked residents to be alert for unattended packages and other suspicious objects.

"Let me just tell the residents of the capital to be more aware," Bibi said on Israel army radio.

"The more eyes the better."

Moshe Arens speaks to reporters. (Reuters wirephoto)

Arabs flock to Hungary

BUDAPEST, June 26, (Reuters): Thirteen thousand Arabs are living illegally in Hungary and more are arriving each day in the hope of emigrating to the West, the daily Nepszabados reported yesterday.

They arrive as tourists and refuse to return, it said.

But senior Foreign Ministry official Jozsef Benyi told the newspaper that Hungary would not allow itself to become a target for Syrian, Libyan and Palestinian immigration.

"They don't have a way of situating themselves in society, largely because of language barriers, and all this causes major concerns over general public safety," Benyi said.

Hungary, with a population of 10.5 million, is already having problems accommodating an influx of Romanians, most of them ethnic Hungarians from the former Hungarian territory of Transylvania.

Benyi said many of the arriving Arabs saw Hungary, which tore down its "Iron Curtain" border fences last year, as a gateway to the West because of its open frontiers.

Iraq CP leaders call for reforms

NICOSIA, June 26, (AP): Three leaders of Iraq's outlawed Communist Party have called on President Saddam Hussein's government to adopt democratic reforms like those that have swept Eastern Europe and some other Arab countries.

In a statement published by a pro-Iraqi magazine, the London-based Al Tadmun which is distributed in Baghdad, the members of the underground party's politburo said that democracy was the "greatest challenge which Iraq faces at present."

It was signed by Amer Abdulhadi, Zaki Khairi and Baqer Ibrahim Al Musawi, all living in exile. They are believed to be in disagreement with the party's anti-Saddam leadership.

The trio condemned what they described as "the unjust Zionist and imperialist drive against our country."

The publication of the statement and its distribution in Baghdad followed government promises that democratic reforms are at hand and came amid efforts by Saddam to lure opposition figures back to Iraq.

The ruling Revolutionary Command Council announced last week that it has finished drafting a new constitution which will guarantee wider political rights and pave the way for a multi-party system, free elections and a free press.

The amended constitution will be put to the vote in a national referendum before its ratification by the National Assembly, Iraq's 250-member Parliament.

The statement noted that Iraq will not be able to win "patriotic and national battles" unless its citizens were "free from coercion, fear, poverty and... are ready to make sacrifices for its sake."

Al Tadmun did not say when or where the statement was released.

But it said it was issued in support of the Iraqi government in its current dispute with the United States and Israel over allegations that Iraq is trying to manufacture nuclear weapons.

The politburo members said the dispute with the West and Israel is proof that Iraq and the Arabs should fight "a long and historic struggle against world Zionism and imperialism."

But they insisted that such a struggle cannot be fought without providing "a true democratic atmosphere in the country."

"In a democratic environment, the potential of our country can be enhanced in confronting external dangers," the statement added.

No change in Taif accord

Rival Shiites fight

MANAMA, June 26, (Agencies): Lebanese Prime Minister Salim Hoss today ruled out any changes in an Arab League-brokered peace accord aimed at ending Lebanon's 15-year-old civil war, despite demands by Christians who oppose it.

"We reject any call for amending the accord" endorsed by Lebanon's Parliament in the Saudi Arabian resort of Taif last October, Hoss told a news conference.

"There's no way the Taif accord can be amended, because if we start this we slip into a vicious circle wherein everyone would ask for modifications of his own, and this would take us back to the pre-Taif stage, or even worse," he declared.

Rebel Christian Gen. Michel Aoun has rejected the accord, which will give Lebanon's Muslim majority equal power with the long dominant Christians, because it does not guarantee the withdrawal of 40,000 Syrian troops.

They have been based in Lebanon since 1976 under an Arab League peacekeeping mandate. Aoun considers them an army of occupation.

Hoss noted that "the future of the Syrian military presence in Lebanon has been clearly defined in the Taif accord."

Aoun has said he will not accept the treaty until there are changes that "bring about a balance between the executive and legislative branches of the government."

"Aoun is a rebel," Hoss declared. "What he has to do is to

give up his rebellion and join the legitimate authority of President Elias Hrawi."

Hoss, a Sunni Muslim, is accompanying Hrawi, a Maronite Catholic like Aoun, on a tour of Arab states in the oil-rich Gulf seeking political support for his efforts to implement the accord as well as financial aid for reconstruction.

The Arab League committee comprising Saudi Arabia, Morocco and Algeria, which negotiated the Taif agreement, bolstered Hrawi's campaign by announcing a \$2 billion fund for Lebanon's reconstruction. They called on Arab and other countries to contribute.

Rival Shiite militias fought in the Syrian-controlled southern suburbs of Beirut today, sending motorists and residents rushing for cover, security sources said.

They said at least three people were wounded in clashes between fighters of the Syrian-backed Amal militia and the Hezbollah armed with machine-guns and grenades.

Steel-helmeted Syrian troops were trying to intervene to quell the violence between the Shiite groups, vying for the leadership of Lebanon's 1.3 million Shiites, who have been locked in three years of sporadic fighting in Beirut, its southern suburbs, south Lebanon and the eastern Bekaa valley.

An Amal official, Ali Hureybi, was killed today by an explosion in his car in Zawtar Ash-Sharqiye, 65 km (40 miles) south of Beirut, security sources said.

Afghan clerics condemn education for women

Greater catastrophe than communism

PESHAWAR, Pakistan, June 26, (AP): Muslim clerics claiming to represent the Afghan rebels movement condemned education for women and warned of a "greater catastrophe than communism" unless schools for women were closed.

But a spokesman for a self-declared rebel "government-in-exile" said yesterday the view was not the policy of his coalition of US-backed rebels fighting the Afghan government.

In a poster-sized edict 80 mullahs, or Islamic clerics, said "women attending schools where subjects like English, history and geography are being taught instead of Islamic text and roles are disgraceful."

The lengthy edict, written in Afghanistan's native Pushto language, also said women must not go out without their husbands' permission, laugh when speaking, wear perfume, speak to strangers, look at a man with "a sexual sense" or wear clothing that rustles.

Under the edict, women must

only wear a traditional head-to-toe blanket-like covering.

In the past several months fundamentalist rebels have threatened "revolutionary action" against Afghan women working with foreign aid groups or teaching at Afghan-run schools. Many women say they fear retribution if they talk to Western journalists.

Najibullah Lefray, spokesman for the rebel government, based in Pakistan's frontier city of Peshawar, said yesterday that the edict was written by a "section of the Ulema, or council of clerics."

"It is not the policy of the rebels government... in Islam seeking knowledge is a religious obligation for men and women and it does not differentiate between religious and other learning," said Lefray.

"The first thing will be to invite the Ulema who have signed this and make them understand that this is not the view of all the Ulema and then we should try to convince them to change their minds," he said.

Shelter Now suspends work among Afghan refugees

ISLAMABAD, June 26, (Reuters): Violent attacks by Muslim militias have forced the Australian charity Shelter Now International (SNI) to indefinitely suspend its relief work among Afghan refugees, the group said in a news release today.

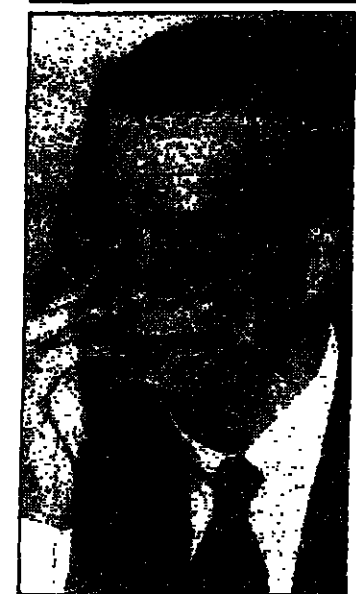
"SNI has made the decision to freeze all of its on-going projects, to be effective immediately," the release said. "For the indefinite future, SNI has decided to step back and simply monitor the situation."

Shelter Now, which runs projects in both Pakistan and Afghanistan, has borne the brunt of rising

anti-foreign feeling among Afghan refugees in the border regions of Pakistan.

Aid workers said Shelter Now appears to have been targeted for working with Afghan women, which offends conservative Muslims. The group denies that it tries to spread Christianity.

In the latest attack, gunmen manning an unofficial roadblock outside the northern Pakistan city of Peshawar on June 17 fired on a jeep driven by Shelter Now director Thor Armstrong, who was left with glass embedded in his back from a shattered window.



Salesman of death

Prosecutors of a West German businessman accused of helping Libya to build a chemical weapons plant described him as "the supreme salesman of death."

Summing up before Mannheim Regional Court yesterday, they said the two-week trial proved that Jürgen Hippenstiel-Imhausen (above) was directly involved in planning and building the factory at Rabta, near Tripoli.

Libya denies charges by the United States and West Germany that the Rabta plant manufactures deadly chemical weapons and says it produces only medical supplies.

State prosecutor Hans-Helko Klein said that from the outset the plant had been built to produce the lethal nerve gases, Sarin and Sarnen.

"With the verdict, Hippenstiel-Imhausen will be seen as the supreme salesman of death," Klein said, demanding a jail sentence of six and a half years for breaking export laws and tax evasion. Sentencing will take place today.

Hippenstiel-Imhausen who resigned as manager of Imhausen-Chemie after the scandal broke last year, told the court he assumed responsibility for a 225-million mark (\$150 million) secret sale of a chemical factory to Libya (Reuters wirephoto)

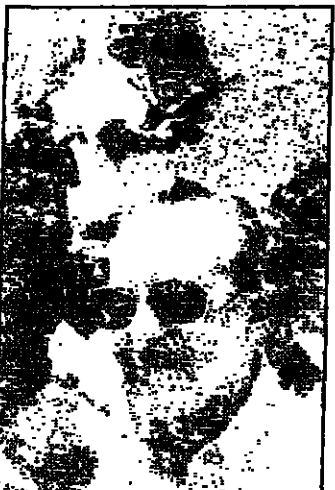
Peres should step aside: Labour MPs

OCCUPIED JERUSALEM, June 26, (UPI): Supporters of Labour Party chairman Shimon Peres have told the veteran Israeli leader to give up the party leadership in favour of long-time rival Yitzhak Rabin, a party member said today.

At a meeting last night, several Labour Party parliamentary members, including close aide Yossi Beilin, told Peres, who has led Labour since 1977, that the power struggle had been decided in Rabin's favour.

Hagai Meirum, Labour Member of Parliament, told Israel Radio today that most members of the centre-left Labour Party were in favour of former Defence Minister Rabin assuming leadership of the party.

"The meeting yesterday was a meeting of people who went a long way with Shimon Peres, who are his friends... who don't want to see him fall broken down, a political victim of an unsuccessful and unwise move," Meirum said.



Moshe Arens speaks to reporters. (Reuters wirephoto)

Turkish theatres air 'Naked Gun'

Resist pressure to halt screening

ANKARA, Turkey, June 26, (AP): Turkish movie theatres yesterday said police officials have asked them to stop screening "The Naked Gun," a US film which spoofs the late Iranian leader Ayatollah Khomeini.

Spokesmen for the five Istanbul theatres screening the film said they intended to keep showing it.

Istanbul's acting police chief, Iskan Inan, denied the assertions that police were pressuring the cinemas.

Last week, a Turkish government official, speaking on condition of anonymity, said that Inan had asked Turkey to halt screenings of the comedy.

Cinema spokesmen reported that they were asked to come to their district police stations, where they were told to halt the screenings.

The (district) police chief told me that (President Turgut) Ozal feared the screening of the movie would harm relations with Iran, thus it should be banned," Suphi Oktay told the Associated Press. Oktay said he was asked to sign a paper saying his theatre would quit showing the film. But he refused to do so, he said.

Oktay said the police official told him he decided to do something after discussing the

issue with Ozal. The official could not be reached for comment.

The movie theatres decided to continue showing it since there was no legal order against it, he said.

No police action was reported involving the only other movie theatre showing the film in Turkey, a cinema in Ankara.

Movie theatres screening the film say they have received threatening, anonymous phone calls since it began showing.

Oktay said three theatres in Istanbul had cut the part lampooning Khomeini after receiving bomb threats, but that they were now running it in its entirety because the distributor, United International Pictures, told them their contract did not allow for editing.

"School are out and the movie is doing such a good business, we plan to screen it at least another two weeks," Oktay added.

Iran asked Turkey through diplomatic channels to halt screening of the movie after the movie theatres began showing it. The Foreign Ministry relayed the Iranian request to the chief prosecutor's office to see whether the movie could be censored legally. But, there has been no word of any decision.

كلنا من الأصل

Study calls for unification of Arab blocs

Dept for each at league suggested

AN ECONOMIC study recently issued has called on Arab economic blocs to unify within the framework of an Arab strategy aimed at realising Arab economic integration with a view to accelerate Arab economic development on a comprehensive level.

The study prepared by Dr Harbi Oraigat from Kuwait's Ministry of Planning said that the success of the three Arab blocs, including the Gulf Co-operation Council (GCC), Arab Co-operation Council (ACC) and Arab Maghreb Union (AMU) should take cognisance of several factors, including the political will among

leaders of these blocs to realise co-operation and achieve political, social and economic harmony among member states.

Integration
The study further called for following a practical introduction of economic integration to be commensurate with social and economic parameters in the Arab region.

While stressing the importance of setting up of the Arab economic regional blocs, the study cautioned against this being an alternative to the Arab joint comprehensive work and these blocs should work in harmony.

It added that these blocs should not be deemed as an axis rather should be considered as a natural phenomenon which had been dictated by historical, economic, regional and international considerations.

Bureaucracy

Speaking of the co-ordination mechanism among the Arab economic blocs, the study said that this feature could be realised by setting up of joint projects among these blocs and through the Arab league. The study suggested the setting up of a separate department for each bloc at the Arab League provided that these be kept

far from bureaucracy and red tape which currently prevails in the organisations affiliated to the Arab League.

Apart from the above, the study suggested the convening of regular meetings between the Arab League General Secretariat and the secretariats-general of the Arab economic blocs in order to debate the co-operation vehicles and the challenges facing these blocs.

On the other hand, the study called for co-ordinating development plans among Arab economic blocs in addition to the unifying of the statistics and accounting systems in the member states.

Regional export finance

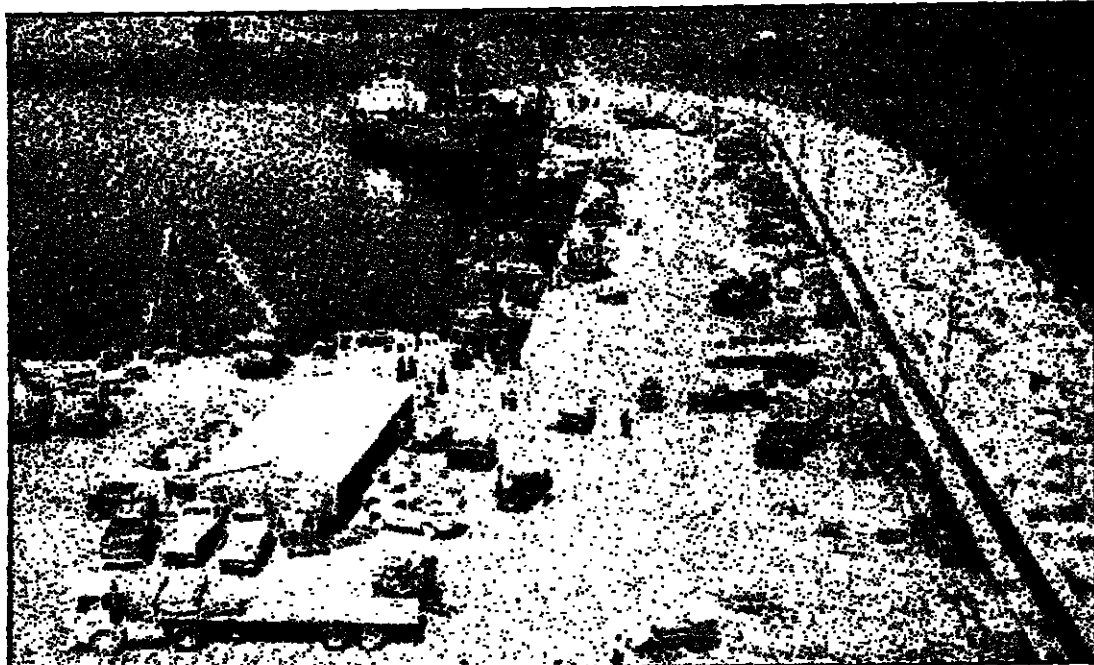
Investment corporations boost export prospects

ONE of the main aims of Arab states in seeking to diversify their revenue, is to boost exports world-wide, including trade among themselves. One handicap suffered by many Arab exporters until recently, however, has been the lack of export insurance and export credits within the Arab region. Local banks have also been hampered in their efforts to help Arab exporters by the absence of such export guarantees.

In the last few years, however, two export credit and insurance services have been set up in the Arab region and a third is under discussion, to help exporters directly and to encourage local banks to participate more in trade finance. The first two were established by pan-Arab institutions, the Kuwait-based Inter-Arab Investment Guarantee Corporation (IAIGC) and the Abu Dhabi-based Arab Monetary Fund (AMF). The third is planned by the Islamic Development Bank (IDB) of Jeddah, an institution of the Organisation of the Islamic Conference (OIC).

Launched in March 1989 with an initial capital of \$375 million, to be raised eventually to \$500 million, the AMF's Inter-Arab Trade Fund provides finance at a fixed interest rate of 0.5 per cent above the London Interbank Offered Rate (Libor) for trade in Arab products within the Arab region. For a product to qualify, at least 40 per cent of its value must be manufactured in an Arab country. Finance from the fund is allocated to Arab countries in proportion to their share in the organisations which are financing it. In addition to the AMF (which supplied \$250 million of the founding capital), these include the pan-Arab aid agency the Kuwait-based Arab Fund for Economic & Social Development (AFESD) which provided \$100 million, Arab Banking Corporation (ABC), the big Arab commercial bank based in Bahrain and owned by Kuwait, Libya and Abu Dhabi, which contributed \$25 million and other pan-Arab financial institutions and banks from Libya, Syria, Saudi Arabia, Jordan and Tunisia. Membership of the AMF's Fund is open to all regional, international, joint Arab and Arab-international financial and banking institutions. Its main role is to help local exporters to expand their services to exporters and to improve knowledge about local exporters and their products.

The creation of an Islamic Regional Export Credit Guar-



tee Scheme was first agreed at an Islamic Summit in Kuwait in 1987.

The IDB already provides several other services to exporters and importers in Islamic countries. These include the recently-established Longer Term Trade Financing Scheme (LTTFS), administered by the IDB's Trade Promotion Department. It aims to promote export of non-traditional goods among OIC member countries by providing finance for maturities of 18 months to five years. Participation in the scheme is open to all OIC member countries of which more than 20 have so far joined. The amount of financing available to each country is in proportion to its contribution to the scheme's capital. Non-traditional exports are defined as those which represent not more than a fifth of the total value of a country's exports during the preceding three years. Other exports may be included, however, at the discretion of the scheme's administrators.

Goods covered by the scheme must originate in OIC member countries which means that 40 per cent of their total finished content must be produced from raw materials or intermediate products made locally or imported from another OIC member country. The scheme finances 30-40 per cent of the export value (or more at the discretion of the administrators) although this share may be increased if associated with other financing schemes administered by the IDB. Financing is provided under the Islamic financial in-

strument Murabahah, under which the IDB buys the goods directly from the exporter or national agency and sells them to the importer against an agreed profit margin.

Alternatively, IDB services can be provided to the importer under the Import Trade Financing Operations (ITFO) scheme, now in use for more than a decade. By the beginning of 1989 since its inception, the scheme had financed up to IDA \$30 million (\$5,601 million) worth of import transactions, representing 423 deals in 28 member countries. A short-term financial instrument, the ITFO is used mainly to finance commodity imports, with preference given to imports from other OIC member states. The maximum repayment period varies according to the commodity, ranging from nine to 24 months.

IAIGC guarantees

Having played an important role in encouraging investment flows among Arab countries by providing investment guarantees against political and commercial risks, the IAIGC a few years ago extended its services to provide export credit guarantees. These are available as comprehensive policies (covering all short-term transactions to all Arab countries) or as specific policies (covering individual contracts). Buyer credit guarantees against both political and commercial risks are also available. So popular have the IAIGC's export credit guarantees proved that the corporation's export insurance deals grew by 39.4 per cent in 1988 to KD58 million

(\$206 million), accounting for the bulk of IAIGC's business. Export insurance contracts in that year covered 131 deals and benefited all Arab countries as importers and 9 of them as exporters. The main exporting beneficiaries were Egypt, Jordan and Saudi Arabia while the biggest Arab importers to benefit were Iraq, Saudi Arabia and North Yemen.

In addition to these pan-Arab and pan-Islamic export credit guarantee schemes, several Arab countries have set up their own organisations and financial services to help local exporters. Such export promotion institutions include Morocco's Centre Marocain de Promotion des Exportations (CMPE) in Casablanca and Tunisia's Centre de Promotion des Exportations (Cepex) in Tunis. Their activities include compiling and publishing detailed information about local exports, organising trade delegations and participation in foreign and local trade fairs and providing foreign suppliers with information about local business laws, including incentives to investment in export-oriented industries.

The Export Development Bank (EDB) of Egypt and Morocco's Banque Marocaine du Commerce Extérieur (BMCE) — which has several branches in European capitals) are also particularly concerned with providing finance to local exporters. The BMCE offers an export credit insurance scheme and the EDB is discussing projects for setting up a national export credit agency in Cairo.

Labour minister

THE Minister of Social Affairs and Labour Sheikh Jaber Al Abdullah Al Jaber Al Sabah has expressed hope that he will be able to fully shoulder the responsibility newly assigned to him.

He said at a meeting in the ministry's offices which was attended by the ex-minister Sheikh Nasser, the new Minister of State for foreign affairs and ministry's undersecretary and his assistants and senior ministry officials that consistent co-operation is the key to providing better public services and optimising performance levels.

Co-op schemes

THE Co-operative Societies Union is currently studying the possibility of adopting a grand co-operative project and will cost about KD one million, according to the Union Chairman Saad Al Sawari.

In an interview with Kuwait News Agency (Kuna), the official said that the union intends to participate in the setting up of a national resort or the construction of a specialised hospital.

He added that the intended project will be financed jointly by the union and the co-operative societies and the implementation measures will begin in the coming months.

10-year-programme

US pledges \$150m aid for Oman

MUSCAT, June 26, (AP) — The United States has pledged \$150 million in grant aid to the Sultanate of Oman over the next 10 years, Western diplomatic sources said yesterday.

Re-negotiation of an aid agreement signed August 1980 has resulted in a provisional new 10-year programme based on a revised strategy, said the sources who could not be named under embassy rules.

The first funding arrangement was made two months after a 10-year US-Omani military access agreement was signed on June 4, 1980.

Renewal of the access accord is presently under negotiation and said by Western diplomats to be "largely a matter of protocol."

The main thrust of the new aid programme would be assistance in water resources management, fisheries development and human resources training, the sources said.

Annual planning budgets were estimated at \$15 million.

Funding and implementation would continue to be administered by the Muscat-based Omani-American Joint Commission for Economic and Technical Co-operation.

Problems

Oman is a desert country and the development of adequate water resources is one of the most pressing problems confronting the government.

Scientific support is also required to boost productivity in the fishing industry and help diversify the oil-reliant economy. Government reports say the present 100,000-ton annual yield along Oman's 1,700-kilometre (1,060 miles) coastline could be raised to an annually sustainable 300,000 tons.

Further assistance is required with the development of manpower training in the Sultanate where the national economy relies heavily on a predominantly foreign workforce.

Under the first joint commission agreement, US funded the construction of Oman's Aquifer Recharge Dam at Al Khoud, 60 kilometres (38 miles) west of the capital.

Support to the fishing industry was provided by US marine scientists contracted to produce technical assessments of sustainable fishery yields.

The commission oversaw further schools construction and designed a training programme enabling more than 1,000 Omanis to study development-related fields in the United States, Oman and third-party countries.

Legal fatwa

THE Ministry of Awkal and Islamic Affairs has issued a legal fatwa (Islamic Council) banning the receipt of complimentary goods from dealers as currently practised by the co-operative societies.

The legal fatwa was issued in response to a request submitted by the chairman of the board at the Kuwait Food Dealers and Producers Union, Abdullah Mohammad Al Bajjan.

The legal decision is intended to reduce prices of commodities sold at co-operatives and to increase competition among these co-ops — all to be in the interests of customers.

Indian student intern at US college

VIDHYA DORAISWAMY of Kuwait is serving this summer as a research assistant to biology Professor David Wood.

Ms Doraiswamy, a member of the Wheaton College Class of 1992, is the daughter of Dr and Mrs Doraiswamy.

The internship was arranged through Wheaton College's Filene Centre for Work and Learning, a nationally-recognised career planning programme. The intern programme is supported by a grant from the Charles A. Dana Foundation to provide educationally meaningful work experience for Wheaton students.

Founded in 1986, the Filene Centre encourages Wheaton students to connect academic learning and work experience through internships as well as paid and volunteer positions. Each placement is designed to help the student meet his or her career, academic and/or community service goals. An evaluation of the experience becomes part of the student's Wheaton Work History, a transcript of employ-

ment, volunteer, field work and campus leadership activities.

Additional services of the Filene Centre include: individual career counselling, on-campus interviews with employers and graduates schools, a data bank of summer job opportunities and a credentials service. An extensive career services library aids students and graduates alike in career planning. Wheaton College, an independent institution, offers a liberal arts curriculum with over 600 courses and 30 majors. Over 90 per cent of the college's 113-member faculty hold doctorate degrees. The average class size is 15 students.

Wheaton is located in Norton, Mass., about 35 miles south of Boston and 15 miles north of Providence, R.I. The 385-acre campus combines traditional brick-and-mortar architecture with modern facilities, such as the \$10 million athletic centre now under construction. The college will graduate its first co-educational class in May 1990.



Gabazard hosts banquet

A luncheon banquet hosted by National Council member Jassem Gabazard turned into a national meeting attended by 47 councillors, where discussion dealt with ways and means to consolidate co-operation between the council and the new government.

The host delivered a speech in which he expressed gratitude to his colleagues for responding to his invitation and stressed the need to take part in the national duties, whether through the truthful word or guided action.

He said that Kuwait is the home of democracy, cohesion and solidarity and this is what characterises the one family.

He said he was glad to have all these members as guests.

Day by Day

(Continued from Page 1)

Second: Why was the last Shua'a advertisement in Seyassah in 1983? If the type of Seyassah readers are not up to the liking of Shua'a, why did it not advertise in papers other than Al Qabas, in which the Shua'a chairman is a shareholder.

Third: Fabricating pretexts and excuses is very easy in developing countries — particularly those which are subjected to military rule. They promise return of civil rule very soon and provide pretexts in a bid to remain seated as long as they can. These regimes suppress and oppress people while at the same time promise them democracy, progress, prosperity and the people's rule. People see no promises fulfilled and they are always cheated.

Fourth: As the issue is cheating — I want to ask why the chairman phoned the company in Dubai on Sunday at 7.15 am and reprimanded the officials there for leaking information to Seyassah concerning the transfer of the ads to Al Qabas and Al Watan and asked them to send the above mentioned reply after a man called Majed from the Chamber of Commerce and Industry prepared it.

Fifth: Is it the wish of the board of directors that the advertisements must go to Al Qabas and Al Watan since 1983? Is it also the wish of the shareholders and the general assembly, knowing very well that these people are not sides in a political dispute and not from the type who use money in politics?

Sixth: We would like to reconfirm the boycott against us and confirm what we published before. We are ready to swear on that in front of a committee from the Chamber of Commerce and Industry, comprising Mr. Yousef Al Fajj and Mohammad Al Khorafi. Is the company chairman ready to swear before the committee? If this happened we will declare that we are the biggest liars in the world or if not others are.

Terminati: Shua'a company sent its newsletter to us and we published it in Seyassah on Wednesday, June 20, 1990. Here, I wonder why the company sends its newsletter to us and not advertisements to us? Do the readers of news differ from the readers of advertisements?

You can contact the "Madco Gulf" Advertisements Company, the advertising agent for Shua'a and ask why the company after booking the space for the advert, later ordered its cancellation. We are not awaiting an answer from you but remember that Almighty Allah is stronger.

Zahed Matar

Charity organisation to inspect refugee camps

TWO women's delegations from Kuwait Social Reform Society are scheduled to undertake a trip to Jordan and Pakistan to inspect the Palestinian and Afghan refugee camps in these countries.

The delegations' trip falls within the framework of charitable acts, according to the chairman of the women's committee at the society, Suad Al Jarallah.

Speaking to a press conference held yesterday at the premises of the committee situated in the Al Surra Area, the official said that the two trips are aimed at extending necessary assistance to the Palestinian and Afghan refugees. To determine the extent and quantity and qualify this form of assistance, the delegation through field reconnaissance will explore the various facets of the wretched conditions of the camps and its inhabitants.

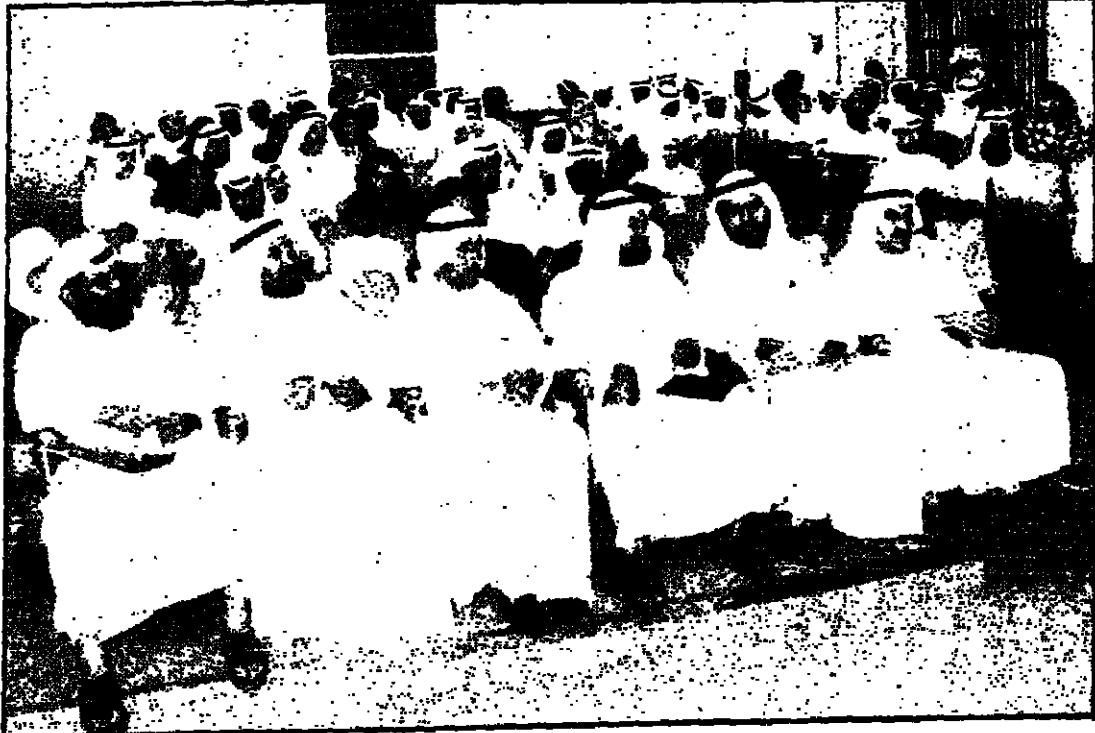
Meanwhile, the official said that the committee will adopt a donation campaign aimed at collecting money for charitable purposes through the Zakat Committees in the country. She said that there are about ten camps for refugees in Jordan and had been designed to house displaced Palestinians after the 1948 war and after the 1967 wars. She commented that health and other amenities at these camps were in a deplorable condition and continually deteriorating.

Speaking of the Afghan refugees position in Pakistan, the official said that there are about 6.5 million Afghan refugees of whom 60 per cent are women along with one million children.

NRI education panel

DISCUSSIONS on the problems faced by NRIs regarding the education of their children will be held at the Third Gulf NRI Seminar in New Delhi. The main paper will be presented at a special session on July 6 by Ram Buxani of the Dubai NRI Forum.

M. Mathews, President of the Indian Arts Circle and founding member of the Kuwait NRI forum will also be on the education panel. Parents interested in the further education of their children in India should please present their views to M. Mathews before July 2 so that they may be highlighted at the seminar. Call M Mathews on 2456293/4/5.



Training season ends

The first training season for the professional development centre at the Public Authority for Applied Education and Training ended in a party sponsored by the authority's general director at the Technical Studies College in Shuwaikh.

During the party, certificates were distributed to participants of the live training courses which included Educational Computer, Behavioural Objectives, Tests Structuring, Educational Techniques and Effective Training Performance.

The party was attended by General Director, Dr Abdul Rahman Al Mhailan, Deputy General Director Hmoud Al Modhaf, a number of college deans at the authority, and the director of the Professional Development Centre, Dr Ahmad Bu Zebid.

Insurance companies supporting economy

THE Chairman of the board and managing director of a local insurance company, Sulaiman Ahmad Al Dilali has said that insurance companies played a vital role in support of the national economy, as they invest the money collected as insurance instalments from various sectors, such as the financial, investment and real estate sectors and that under the existing insurance law all companies can reserve part of their money inside Kuwait and invest them in different channels.

He said that insurance companies in Kuwait take great pride in the level of development so far achieved in the technical, managerial and insuring services fields. He pointed out the universal reputation of these companies.

Dilali said the insurance sector has made great development leaps over the past period and this was accompanied with similar development of the insurance law as deemed necessary by the Ministry of Commerce and Industry to meet new developments.

He said the insurance sector received great support from the government and that proposals made by the insurance companies were fully considered and evaluated by senior government officials.

Cut in oil price likely

(Continued from Page 1)

and will maintain a 10-cent differential, the source added.

KPC negotiates individual contracts with eight Japanese conventional clients including Mitsui, Idemitsu, Mitsubishi Corp., Cosmo, Sumitomo, C. Itoh, Kanematsu which lifted 30,000 barrels per day in the first quarter stopped lifting in the second quarter when Japanese oil imports from Kuwait dropped from 237,000 b/d to 180,000 b/d.

Japan will maintain about the same level of imports in the third quarter, according to one buyer. The current negotiations are running behind the schedule. Agreements are usually sealed a fortnight before they are supposed to take effect.

Other Kuwait's clients from the Far East can hope for the same discount the Japanese got, said one source, although Kuwait is known to have been more flexible with the Taiwan-based Chinese Petroleum Corporation, another of its conventional customers who imports about 40,000 barrels a day.

Kuwait usually offers equal treatment to all of its Japanese customers but is said to have more respect for refineries than trading houses.

36 naughty phones cut

AN official source at the Ministry of Communications announced that the ministry has disconnected services of 36 telephones during the period from June 17, until June 23, 1990, due to telephone harassment.

The source added that telephone subscribers were all referred to concerned parties at the Ministry of Interior.

Committee to sort out 'free visa' problems

Danger to security

A MINISTERIAL committee has reportedly been formed to study and follow up issues relating to the problem of workers operating outside their sponsors' work-sites, and recommend solutions to eliminate this phenomenon.

The ministerial committee comprises of representatives from the ministries of interior, social affairs and labour, planning and the Public Authority for Civil Information.

A local daily said that the formation of this committee comes in response to the need to deal with thousands of expatriates working in places other than their sponsors' work-sites.

The daily described the tasks assigned to the ministerial committee as aimed at regularising the labour population in Kuwait and putting an end to the existing illegal practice of trading in work permits.

Cabinet meeting

Fiscal 1990/91 budget endorsed

KUWAIT, June 26. (Kuna): On the second day in a row, the council of ministers held today a cabinet session presided by His Highness the Crown Prince and Premier Sheikh Saad Al Abdulla Al Salem Al Sabah.

The session took place to complete the discussions on several issues before the eight-day holiday which will begin Friday to celebrate Eid Al Adha Al Mubarak which follows the annual pilgrimage season.

State Minister for Cabinet Affairs Dr Abdulrahman Al Awadi said in a statement following today's meeting that the council has endorsed a draft law on the government fiscal 1990/91 budget. The draft will be presented to His Highness the Amir for final approval.

The session also discussed a draft law on tasks of the newly created portfolio of state minister for National Council Affairs and approved it, said Awadi. He added that among its major tasks is to ensure the needed co-ordination among the ministries and the National Council.

The draft law will also be presented to the Amir Diwan for final approval, the state minister said.

Among other things, he added that the cabinet was briefed on the content of the letter sent to the Amir, in his capacity as chairman of the Organisation of Islamic Conference, by Soviet President Mikhail Gorbachev.

The session also decided to consider Saturday of next week a holiday for government employees, adding one more day to the seven-day holiday.

NHA to distribute houses in summer

THE assistant director-general for distribution, documentation and follow-up at the National Housing Authority Farid Mishari Al Ojail has said that the NHA will during this summer distribute a total of 159 houses in the sector C inside the Quraish Housing Project.

He told a local daily that the capacity of sector C is estimated at 10,125 residents, broken down to eight persons in each family, adding that the sector consists of a number of public facilities, such as kindergartens, elementary, intermediate and secondary schools, besides two mosques, a power substation and three groups of shops.

Ojail said that NHA will during the same period distribute the houses in the first batch in sector A, whose capacity is estimated at nearly 9,600 people, where it will include four mosques with annexed residences for the Imam and Mou'zen, in addition to a central market, clinic, communal hall, library, public garden, markets, government offices, four power substations and a mail centre.

He added that the last batch of houses in the Jahra Naseem area 3 will be distributed during the summer at a total number of 160 houses, stressing that the Jahra housing project 3 falls within the fixed five-year plan of the authority and has been attracting so many applications from citizens.

\$10m Kuwait loan to Tunis

TUNIS, June 26. (Reuters): Kuwait has lent the Tunisian government 10 million Kuwaiti dinars (\$34 million) to partly finance a project to extend Tunisia's only highway southwards.

Under an agreement signed today, the Kuwait Fund for Arab Economic Development is lending money over 20 years, with four years grace, at 3.5 per cent interest, a planning ministry spokesman said.

Tunisia plans to extend the highway south from the coastal town of Hammamet as far as the village of Msaken, a distance of about 75 km (45 miles), at a total cost of about \$180 million, he added.



Council open meetings

Members of the National Council continue their open meetings in line with a programme of invitations extended to them by their colleagues which are intended to intensify discussions of major topical issues.

A meeting was held at Diwaniyat Jaser Al Jaser in Rawda, during which the guests discussed the nature of the current stage and the need to work with full co-ordination to be able to fulfill the objectives outlined by the Amir decree that called for the formation of the National Council.

In his opening speech, Jaser Al Jaser called for the reinforcement of cohesion, solidarity and co-operation under the umbrella of democracy which led to the election of the council that will play an active part in laying down the bases for parliamentary life, far from useless dialogues.

He said that these meetings are intended to fortify relations and increase co-operation among the members, adding that the council will assume its responsibilities in full and active co-ordination with the new young cabinet placing the country's interest in the forefront.

Meanwhile council member Dr Mubarak Al Otaibi said that the council will be able to achieve positive results through the concerned effort of its members and their sincere endeavours to meet the requirements of citizens.

He said that the formation of the council came in response to a noble wish by HH the Amir and that this must be translated in consistent effort and relentless work to meet the set objectives in the best interest of Kuwait and its people.



Waste recycling

GCC according priority to management technology

By Hussain Tantawi

TREATMENT of waste and relevant waste management technologies are being accorded priority at all GCC states, including local, regional and international organisations.

The private sector plays a significant role towards recycling of wastes by utilising the latest technology developed by scientific institutions and considerable research and development is going on to develop optimum means for achieving wealth from waste through the method of recycling.

To highlight this issue, Al Seyassah interviewed the director-general of the Saudi Arabian based Arab Institute for Cities Development, Dr Mohamed Al Hamad who said that the topic of waste treatment and recycling is accorded every priority by municipalities and other authorities concerned in view of the heightened awareness of its effects on the environment and its contribution to pollution.

Statistically speaking, the official said that the Arab population by the year will touch 300 million and will be producing a total of about 600 million

tons of waste per year. Though, this amount of waste does pose logistic problems for the respective governments, it can be converted into new avenues for utilisation by industry at low costs, the official said. In this context he called for setting up well-thought out plans for recycling wastes which should be executed within the framework of a comprehensive development plan.

Objectively, he said that waste management could constitute an integrated system for transporting wastes, by packaging and disposing of it through an appropriate health transportation system in keeping with economic and environmental considerations.

Meanwhile, the official said that the institute had conducted a survey in 1986 which covered about 111 Arab cities and reported that house waste accounted for about 78 per cent of total wastes in Arab countries. The study had cited several materials among such wastes that could be profitably channelled through waste recycling programmes and technologies.

Haj efforts exceptional: Waseh

MINISTER of Haj and Awqaf in the Saudi Kingdom Abdul Wahab Bin Ahmad Abdul Waseh has said that the efforts exerted by the ministry and its preparations for this haj season as well as the massive expansion and construction projects implemented in Makkah and various surrounding religious places are exceptional.

He said that future plans aim at organising Haj and Omra performance from visitors of Saudi lands, adding that all government organs have taken measures and devoted considerable effort to ensure that hajjis are provided with all the required facilities.

He told a local daily that the government agencies concerned have developed special programmes, in response to an instruction by the custodian of the two holy mosques King Fahd Bin Abdul Aziz, whereby each will contribute to the services offered to hajjis.

He pointed out that the minis-

try has assigned special representatives and officials to receive the incoming caravans and groups of hajjis at all exits of the country who will ensure that all formalities and procedures are done easily and smoothly with no problem whatsoever.

He added that massive construction works have been commissioned in the holy lands aimed at providing further facilities and services to hajjis, which include the establishment of numerous mosques and expansion of existing ones, construction of new residential towns to accommodate thousands of hajjis besides furnishing different class hotels in Makkah and Medina.

He stressed that the ministry has sponsored the expansion of different sanitary and power grids to illuminate all new constructed facilities and increase the lighting of others, in implementation of the directives of the custodian of the two holy mosques.

location to another.

He said that all projects are primarily intended to expand the capacity of existing facilities and mosques to be able to accommodate greater numbers of worshippers, adding that some projects have already been completed while others are still under construction.

He added that some of the projects are intended to provide poor hajjis with decent accommodations for free and that this will help put an end to residential problems facing poor hajjis.

He stressed the existing sense of honest competition between transport companies to render quality services to Hajjis using their modern fleets of air-conditioned vehicles.

He also said that the ministry has sponsored the expansion of different sanitary and power grids to illuminate all new constructed facilities and increase the lighting of others, in implementation of the directives of the custodian of the two holy mosques.

Smoking to kill 10 million by 2025

By Diana Abou Halder
Arab Times staff

AN estimated ten million people will die during the first quarter of the next century because of smoking related diseases if smokers don't change their smoking habits, said Dr Robert Mecklenburg, anti-smoking activist visiting Kuwait.

The consultant to the American National Cancer Institute was quoting World Health Organisation studies in a public speech about the effects of smoking on health he gave Sunday at the Kuwait Medical Association.

"There is a direct relationship between cigarette consumption and life expectancy," he said adding that although not all smokers get smoking related diseases, they are giving themselves a 50/50 chance of dying of such diseases.

"The use of cigarettes is going down, but lung cancer rates are going up because there is a 25-year lag time for cancer to develop," said Mecklenburg. "It's like a time bomb. Some bombs may turn out to be duds but others explode."

The speaker said that according to WHO statistics, Kuwait ranks 14 among 122 countries in cigarette consumption. Cyprus, Cuba, Greece, Poland and Lebanon are some of the countries that have higher consumption rates than Kuwait. "But it's reassuring that Kuwait has banned smokeless cigarettes and restricted advertising for tobacco products," stated the activist adding that making laws and regulations against smoking are inexpensive means of protecting public health.

"Tobacco companies are targeting Third World countries where people are not used to sophisticated advertisement and governments have no prohibitive laws," he said. "Advertising is also making use of the fact that women have lower quitting rates than men."

Mecklenburg added that tobacco users should not be condemned for this habit because they have been beguiled into it. "If you want to condemn turn to the tobacco industry."

He called on physicians and dentists to lead in the fight against smoking. "The most important people to reach are the ones that haven't reached their teens. In the United States, 80 to 90 per cent of smokers start this habit before they leave their teens."

Answering a question about whether mild cigarettes have less adverse effects on one's health, Mecklenburg said that they could be more dangerous because they can be inhaled deeply. He also said that smokers tend to smoke more low-tar cigarettes to maintain the nicotine level in their blood.

Drugged babies

Crackdown on unlicensed baby-sitters

MUSCAT, June 26. (AP): A police crackdown on unlicensed children's nurseries uncovered drugged babies kept in cramped and filthy apartments, the official daily Oman Observer reported yesterday.

The paper said government inspectors had ordered 10 nurseries closed down.

The paper quoted Social Affairs Ministry spokeswoman Huda Al Ghazali as saying charges against the unlicensed operators included administering sedatives to children to put them to sleep and contravening health regulations.

"Unauthorised nurseries have become a major problem. We know their number is quite high," Ghazali said.

She warned parents not to consider nurseries as places to "dump" their children. The sudden increase of unlicensed nurseries coupled to the importation of foreign nannies has become a vexing question in Oman where an increasing number of Omani women leave home to work.

Kuwait to receive Amun missiles soon

Cairo ready to meet demands

CAIRO, June 26. (Kuna): Commander of the Egyptian Air Defence Forces Gen Mustafa Al Shazli has announced that Kuwait will soon receive the first batch of Amun, anti-aircraft, missiles.

Shazli, speaking at a press conference here yesterday on the 20th anniversary of his force, said that Kuwait was the first Arab country to purchase the Amun land-to-air missiles.

Noting that Egypt, within the contract, will train Kuwaiti military technicians on its use, he described co-operation between the two countries as a model that should be followed in Arab relations.

Shazli said that the missiles will have a one-year guarantee and declared that Cairo was ready to meet any Arab demand on the Amun missiles.

He regretted, in this regard, that so far inter-Arab co-ordination was still lacking in field of air defence systems.

The Egyptian commander said that Egypt had improved a number of Eastern anti-aircraft defence systems including developing an air-to-air missile that was converted into a land-to-air missile.

He noted that Egypt had signed contracts for the purchase of modern Western air defence electronic systems, providing

advance warning on raids and added that as of mid July command and control in his forces will shift from manual to automatic.

Shazli said that Egypt has been developing its equipment to overcome hostile jamming against missile batteries and to use electronic systems to hide its batteries and radars.

Elaborating on the Amun Missile System, the air defence commander said that it was very effective in dealing with planes flying at very low altitudes, with more than one target at the same time and detecting targets in addition to foiling the enemy's electronic jamming.

Mornings ideal for day's shopping

FOLLOWING the Kuwait Municipality decision fixing the unloading time at the Central Vegetables and Fruits Markets in Shuwaik at 12 midnight, a local daily has carried out a series of field interviews with sellers and buyers to sound them out on the effect of the decision on their businesses.

Waleed Al Dosari said that with this change in loading time, it is preferable to shop early in the morning as the vegetables and fruits at that time will still be fresh.

He said that the unloading at any other time would definitely have a negative effect on the merchandise due to the lack of refrigeration at the market and high temperature of Kuwait's weather which will result in the merchandise losing its freshness.

On the other hand, Jaber Jaafari, sales in-charge at one of the markets stalls, said that the market is now open 24-hour a day and the incessant work will leave sellers exhausted, so it would be more convenient to fix the closing and unloading time to be the same so that everyone can get some rest.

Reconsideration

Mishal Al Mutari said that he preferred to do his shopping at night as that is the time when he is free, since in the morning he is at work and cannot shop. He therefore suggested that the unloading time decision be reconsidered.

Mohammad, a seller, says that his sales have dropped drastically due to the fact that vegetables get easily affected by the heat, and evening customers will refuse to buy vegetables or fruit that don't look fresh.

He pointed out that the best time for unloading is 4 pm as the merchandise will remain fresh for the evening, when most clients do their shopping, otherwise the heat-affected stuff will have to be thrown away unsold.

Another client said that the continued operation of the market through the noon period provided employees with ample chance to do their shopping after leaving work, and consequently it is very convenient to do the unloading in the early morning as the stuff will remain fresh enough to buy.

Another seller called for the reconsideration of the unloading time to enable the sale of merchandise at a fixed price, otherwise prices will have to be lowered if perishables wilt or consequently be thrown away because of spoilage.

He said that fruits remained fresh longer than vegetables under the effects of the weather, and when fruits sales go up and more fruits cases are required the refrigerators are closed.

Another customer believes that shopping in the evening provided better prices as sellers will be ready to part with their stuff at reduced prices rather than throw it away later for lack of freshness and interested buyers.

From the courts

Lawyer fined for false complaint

THE Court of Misdemeanours ordered a lawyer to pay KD3,000 to his legal adviser as compensation for filing a false complaint against him. The court was told that the lawyer complained to the general prosecution that his advisor, an Egyptian, forged his signature and appeared in the court in his place. After investigating into the case, the general prosecution decided to refuse the complaint as it was proved that the signature was not forged. Now, the adviser filed a suit against the lawyer asking for temporary compensation of KD5,000 for the damages he received. The adviser told the court that as a result of the lawyer's fabricated complaint, he was apprehended at the work site in front of the company employees and his own son who was present.

He added that he was also banned from travelling for three months thus preventing him from supervising his work personally in his home country. The adviser also claimed that as a result of the case he got a heart attack and was admitted to hospital.

In the court, the adviser insisted on his compensation demand while the lawyer insisted that the adviser faked his signature.

The court said that the only damage inflicted on the adviser was the suspension of the salary he was receiving from his company and there was no proof of the other damages he claimed. The court added that the adviser supplied no evidence for the other damages he received. About the heart attack the court said that the adviser failed to supply enough

evidence that the case was the cause of the heart attack. For that the court ordered the lawyer to pay KD3,000 as compensation to the adviser.

Five years for attempted assault:

The Criminal Court sentenced a man to 5 years imprisonment with hard labour for attempting to sexually assault his friend. The court was told that three men including the accused went to Meshref desert to get a car from there. One of them left the accused and the complainant alone and went home. As they couldn't start the car, the accused asked the friend to go to the nearby tent. The accused shut the tent's door and then asked the complainant if he could allow him to have sex with him. The complainant strongly refused. Then, the accused wanted to assault him by force but the complainant resisted and called for help. In the meantime, the accused beat the complainant with a screwdriver on his face and head. A man who was passing in the area came to the rescue of the complainant. The court charged the defendant of attempted sexual assault that was not completed because of resistance of the complainant and the arrival of the man.

Lady fined KD100: The Court of Misdemeanours fined a lady KD100 for renting a car for one week and returning it after one month. The lady admitted the charges but attributed this to some "family conditions." Although the owner of the rent-a-car office received the remaining money and dropped the criminal charges, the court found the lady guilty and fined her KD100.

Hirawi holds talks with Sheikh Issa

MANAMA, June 26. (Kuna): Visiting Lebanese President Elias Hirawi had talks today with the Amir of Bahrain Sheikh Issa Bin Salman Al Khalifa on the Lebanese crisis and efforts being made to restore stability to Lebanon.

Bahrain's Foreign Minister Sheikh Mohammad Bin Mubarak said, after the meeting, that Sheikh Issa expressed his support to the Taif accord and efforts exerted by the Arab League Tripartite committee to set up an international fund to rebuild Lebanon.

He stressed that international and Arab support is continuing to restore stability and peace to Lebanon.

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ARAB TIMES

Thought for today

MY RELIGION is a matter solely between maker and myself — Mohandas Gandhi, Indian nationalist leader (1869-1948).

OPINION

Purging the bats, need of the hour

TO begin with, we would like to stress the present stage calls for the need to take care of the 'bats' in the government staff.

Obviously, those "bats" received a crushing defeat at the hands of the Kuwaiti people during the National Council elections when the Kuwaiti people turned out in large numbers in response to the Amiri order and exercised their franchise.

These "bats" are now the "shadow" of the old trends and in a last ditch effort are again spreading rumours among people and instigating them to complain in a bid to create trouble. These people will continue their hated roles in the government and their prime task will be to harm the interests of the people through the rigid application of laws without taking into consideration the human aspects provided to them by the legislators.

Their objective is to tell the public that these orders emanate from the government — thus inflaming the people to get very angry with the government and appropriate blame on it for failing to listen to their complaints.

By doing so, these "bats" believe they will win the confidence of those they have been working for — the slaves who claim to be the best alternative to the government.

Regrettably, these "bats" occupy very sensitive positions in the government which enable them to act with impunity and often relieve themselves of the blame under the pretext that they are employees and are only implementing the law.

Poignantly, they implement the laws as they desire. If laws are to be implemented against people they favour then it is the spirit of the law which is implemented and these people are easily relieved of their violations. Conversely, the law is implemented literally without any mercy on those who have thoughts which are different from those of these officials.

The objective is to make people angry against the government as these officials are supposed to represent the government.

We respect the law and do not want it to be violated. But, we cannot accept the applications of the law only against the non-friends of the officials — under the pretext that the government wants it this way.

It is high time that the government staff be "purified" from these "bats". They are well-known by name and position. If the government is waiting for proof to support its action in sacking such employees, it should ask people to submit their complaints. The thousands of complaints that will be submitted will convince the government that purifying the government staff from such bad elements should be its top priority. The employees who harmed the public — whether intentionally or even unintentionally, should have no place in the government staff.

The process of "purification" is urgently needed more than any time before. It is well known in most advanced societies that with each new government new men come along who know better methodologies.

Now, after the Kuwaitis have elected their true representatives and the formation of a new cabinet, representing the will of the majority, why can't this proven process continue by acquiring new men in the government, in line with the new change, who firmly believe in its programmes and objectives.

It has been proved beyond doubt that leaving the "bats" in the government positions would certainly harm the public interests. Can we really accept continuing the old game, which could start again, and aims at making the state appear harmful to its citizens? If we, under the new era and new cabinet, refuse this, why can't we then start the "cleaning" process right now? It must be made well known that the government agencies are not dark games that make good accommodation for the "bats". They are spacious, well lighted places awaiting honest and capable persons from our people and they are numerous.

Ahmed Al Jarallah

War links weakened

SEOUL, (Reuters): South Korean and American soldiers slogged side by side through mud and snow in 1950 to fight the bitter Korean War, but forty years later the war is no longer the tie that binds their two countries.

South Korea and the United States, whose alliance is still close, are linked economically, politically and militarily. But the old wartime bonds have weakened with the passage of time. Many South Koreans were born after the conflict, while among older citizens, memories of suffering have faded.

The result has been a close, and often very critical, re-evaluation of the United States throughout South Korea.

"We know that from the time of liberation the United States has been instrumental in installing bureaucratic forces... (but) even if these were effective they were illegitimate," Lee Kwang-Woo, dean of the graduate school of public administration at Chonnam University in Kwangju, said recently.

Colonial

"Liberation" refers to the end of Japanese colonial rule after Tokyo surrendered in 1945 at the end of World War II and Korea was divided into US and Soviet military zones of occupation.

UN efforts to create a national government were thwarted and by 1948 two republics had been proclaimed. In 1950 North Korea invaded the south and the United States led a 16-nation UN force to its defence.

TODAY IN HISTORY

1697 — Elector Augustus of Saxony is named king of Poland, succeeding John III.

1795 — British forces land at Quiberon to aid revolt in Brittany.

1801 — Cairo surrenders to a British force.

1857 — Massacre of Kanpore, India, where British soldiers and male residents are executed after promise of safe conduct by the Indians.

1858 — China signs treaty with France, opening China to further commerce with the West.

1877 — Russian forces cross Danube river in war against Turkey.

1929 — Kemal Ataturk suppresses communist propaganda in Turkey.

1932 — A constitution is proclaimed in Siam (Thailand).

1940 — Soviet Union invades Romania during World War II after King Carol refuses to cede Besarabia and Bukovina.

1943 — US bombers attack German-occupied city of Athens, Greece, in World War II.

1944 — Allied forces take Cherbourg, France, in World War II.

1946 — Foreign ministers of Britain, United States, Soviet Union and France transfer Dodecanese islands from Italy to Greece, and areas of northern Italy to France.

1950 UN Secretary-General Trygve Lie urges members of United Nations to assist South Korea in repelling North Korea attacks; US president Harry S. Truman orders air force and navy into Korean conflict.

1972 — Northern Ireland enjoys first day of peace in almost three years as Irish Republican Army begins ceasefire.

1988 — Pope John Paul II, on Austria visit, gives warm greeting to President Kurt Waldheim, under attack for alleged complicity in Nazi war crimes.

1989 — More people put on trial in China for taking part in rioting during suppression of nation's democracy movement.

Beijing ends Fang isolation

Release might bring dividends

BEIJING, (Agencies): China's decision Monday to end the yearlong isolation of dissident Fang Lizhi was apparently aimed at ending its own estrangement from the United States and other Western nations.

The astrophysicist and his physicist wife Li Shuxian were put on a US Air Force transport plane jet for London after the Chinese government allowed them to leave the American embassy where they have been holed up since June 1989.

Beijing cited its "leniency" in allowing the couple, wanted by police as counter-revolutionary criminals, to leave the country. But the decision to let Fang go was likely based more on diplomatic than humanitarian concerns. It was the latest, and most important, gesture aimed at returning to the good graces of the West.

China has been stunned by Western solidarity in condemning the brutal military suppression of the pro-democracy movement last June that forced Fang and his wife, China's leading advocates of democratic reform, to seek refuge in the US embassy.

Western nations have suspended high-level contacts, invited Chinese studying in their countries to stay and blocked governmental and World Bank loans to China.

Hurt

Government spokesman Yuan Mu, in an interview last week with Japanese reporters, acknowledged that restrictions on development loans have hurt and said China cannot put its trust in "impractical self-wishes" for better relations with the West.

But China has initiated several diplomatic gestures this year directed at ending its ostracism. The government in January lifted martial law in Beijing, and on May 1 ended more than a year of martial law in the Tibetan capital of Lhasa.

Since December, nearly 900 people arrested in connection with the pro-democracy protests last spring have been released. The government has stressed that Chinese students, both in China and abroad, will not be prosecuted merely for joining in pro-democracy protests.

Fang's release will remove a major impediment to improved US-China relations, which have seriously deteriorated since the military crackdown last June. "Relations have hit the bottom," a Foreign Ministry official said on Monday. "They have no place to go but up."

The official added, however, that China is "puzzled" by the tendency in the West to discount China's goodwill gestures as "cosmetic."

Western critics say China in reality has done little to improve its human rights record. They note that although martial law ended in Beijing, thousands of troops remain in the city to squash any attempt at political protest.

Although a well-known figure such as Fang has been allowed to leave the country, others such as student leader Wang Dan, political scientist Liu Xiaobo, senior party official Bao Tong, political activist Ren Wanding and many others still face long prison terms as counter-revolutionaries.

Coincidence

Fang's release was timed to coincide with US congressional debate on giving China most-favoured nation trading status. Many members of Congress, citing China's human rights record, have opposed US President George Bush's decision to extend the trade status, which gives China low tariffs on exports to the United States, for another year.

"There will still be resistance in Congress to the renewal of MFN but not enough to override the President's decision. On the other hand, it would still be very impolitic for Bush to make further gestures towards China," said Mark Hager, a China scholar with the American University.

William Taylor, director of political-military studies at the Centre for Strategic and International Studies, said the administration would try to portray it as a major success for Bush's policy of maintaining high-level contacts with Beijing after last year's crushing of the pro-democracy movement and murder of hundreds, possibly thousands, of dissidents.

In line with that policy, Bush sent two top-level delegations to China, the first barely a month after the massacre in and around Tiananmen Square.

Last month, he announced he was extending China's most-favoured nation status for one year, arguing that to end it would be to devastate the economies of both China and Hong Kong.

"The half-life of any political event among the American public is about six months. Memoirs of Tiananmen Square were already fading and now they will fade even more," he said.

Drew Brick of the conservative Heritage Foundation said:

"Bush has secured the political margins with his release. He will now have at least solid party support



Fang Lizhi... free

for his China policy."

The human rights organisation Asia Watch said there was a danger that the plight of other political prisoners in China would be ignored now that Fang was free.

The organisation said thousands of people were

still believed to be in jail in China, most of them "nameless faceless workers." China says only 355 people from the crackdown are still being held.

Resolution of the Fang case also comes just before the Western nations hold their annual summit in Houston next month. One topic at the summit will be whether to continue opposing loans to China by international financial organisations such as the World Bank.

Even before the decision of Fang, cracks were appearing in Western sanction toward China. The Bush administration has approved World Bank loans on a "human need" basis, and the bank has pushed ahead with \$590 million in credit to China.

Japanese Foreign Ministry officials indicated Monday that Fang's release would create a "favourable environment" for reopening talks on a \$10-billion-yen (\$5.2 billion) five-year plan loan package to China.

On the same day that Fang left for Britain, a high-ranking member of the West German Bundestag, or Parliament, held talks with Premier Li Peng. A Communist Party Politburo member, Li Teyang, was preparing for a visit to Japan and a senior British official was scheduled to visit Beijing next month for talks on Hong Kong.

Rapid improvement in US-China relations is unlikely, although White House spokesman Martin Fitzwater praised the release of Fang as a "far-sighted, significant step that will improve the atmosphere for progress in our bilateral relations."

One country where Fang's release will go largely unnoticed is China. The tightly controlled official press has rarely reported on Fang, except to condemn him. His departure from China received only short mention in the middle of the national evening news, after reports on a meeting on agriculture policy and a discourse on state financial affairs.

GOV PUSHES DISSIDENTS

BEIJING, (AP): Fang Lizhi's

departure for a safe haven in Britain leaves China without a prominent dissident with the courage and stature to speak out against the government.

A year after tanks crushed the pro-democracy movement, China has effectively silenced all open dissent through arrests, intimidation and forced exile.

Fang refrained from speaking out during his year of refuge in the US embassy in Beijing. But as long as he stayed in China — outside the grasp of a government that sought to try him as an instigator of unrest — he remained a symbol of resistance to political oppression.

Now the 54-year-old astrophysicist and his activist wife Li Shuxian join a growing list of dissidents who have escaped the country or been banished.

Frustrated

Most have been frustrated by lack of funds, poor organisation and an inability to make their voices heard where it counts — at home in China.

The decision to allow Fang and his wife to leave the country came one week after China similarly dispatched another well-known advocate of democratic reform, Taiwanese singer Hou Dejian.

Hou, who defected to the mainland from Taiwan in 1983, played a key role in negotiating the evacuation of students from Tiananmen Square during the June 4, 1989, military assault that crushed the pro-democracy movement.

He hid in the Australian Embassy for two months before the Chinese promised he would not be arrested, emerging to become one of the few Chinese willing to openly criticise the government.

Hou and two other companions from Tiananmen — activists Gao Xing and Zhou Duo — finally went too far when they tried to hold a news conference for foreign journalists on May 31 to call for the release of political prisoners. All three disappeared

hours before the news conference.

Police released Gao and Zhou, who had previously spent months in prison, after the anniversary of the June 4 crackdown had passed. But Hou was taken out to sea, put on a Taiwanese fishing boat and returned to Taiwan.

Also Monday, China announced that another dissident arrested last summer, Wang Xuezhong, was being released from a Canton prison and allowed to go abroad to rejoin his French wife.

Dissenters

China appears to have concluded that exiling dissenters such as Fang and Hou serves both to ease Western criticism of China's human rights record and diminish their ability to influence opinion at home.

Among those known to be in custody are Wang Dan, who topped a list of 21 most-wanted student leaders. He is believed to be held at Qincheng, a top security prison in suburban Beijing.

Another prominent prisoner is Ren Wanding, a political activist who spent four years in jail for his role in the democracy wall movement, a brief flowering of dissent crushed in 1979. Legal proceedings have begun and he could soon face trial on charges of spreading "counter-revolutionary propaganda."

Yu Haocheng, a 64-year-old legal specialist who was an outspoken proponent of the rule of law, is also in custody, as is Liu Xiaobo, one of four hunger strikers in Beijing's Tiananmen Square when troops stormed the city.

The man who once headed the Communist Party, reformist leader Zao Ziyang, has not been seen in public for more than one year. While he is unlikely to face further punishment beyond his loss of office, he is believed to be under house arrest.

One of his top advisers on reform, Bao Tong, is in detention.

Criminal proceedings against some people involved in last

year's political unrest continue. Witnesses saw a notice outside a Beijing court last week announcing proceedings against a man accused of "counter-revolutionary murder."

Fang's release could make it easier for Beijing to relax further its repressive policies and pave the way for more prisoner releases, diplomats and Chinese intellectuals said.

Release

They said Beijing has announced the release of 881 prisoners since January and more could be freed in coming months.

"It is a good move," one dissident freed from jail this year said of the decision to let Fang leave the country. "The government could be able to take further steps now."

Those who left for escape after the military crackdown — such people as student leader Wu'er Kaixi, political scientist Yan Jiaqi and entrepreneur Wan Runnan — say they fear the world is gradually losing interest in China.

Liu Binyan, a journalist and maker of film documentaries who has been living in exile in the United States for two years, said in a recent interview that he longs to return home, but thinks he might face arrest.

"This is a very important time in China," he said. "I want to go back and experience everything myself. Even if I can't write about it."

Those released from prison in recent months as China seeks to improve its image abroad have sought the safety of silence. Almost all, under police orders, have avoided political activities and stayed away from foreign reporters.

"Coming back home was like a dream," said journalist Dai Qing when she was freed in May after being imprisoned for 10 months.

But Dai, one of the free spirits of China's tightly controlled mass media, said she could say no more. Speaking to a foreign reporter without permission would mean a return to prison.

Nepal

Hindu status under menace

KATHMANDU, (Reuters): Devout Nepalese fear that pressure for democracy could sweep away the Himalayan kingdom's identity as the world's only officially Hindu state.

King Birendra, revered by many in Nepal as an incarnation of the Hindu divinity Vishnu, has bowed to democracy protests and agreed to let reformists draft a new constitution.

Now some politicians and Buddhist, Muslim and Christian leaders want the drafters to delete the word Hindu from the definition of Nepal and to drop a ban on religious conversions.

"If Nepal is made a secular country it will then open the door to communal violence and the country will stand to lose its cultural identity," said schoolteacher Shadigam Dabai, from the eastern town of Biratnagar.

Crackdown

He was voicing the fears of many who resisted a police crackdown to back this year's democracy campaign, but who believe Nepal should not blindly pursue Western values.

The political parties that fought successfully for Western-style democracy will have to decide before a general election, promised by next April, whether to risk an attempt to convert a 90 per cent Hindu electorate to secularism.

Even in communist-dominated towns like Bhaktapur, most people start the day by offering sweets, flowers or vermillion powder, at hand-carved stone images of elephant-headed Ganesha, Shiva entwined with snakes to ward off evil spirits or Laxmi, ever-popular goddess of wealth, weighed down with ornaments.

"If the new constitution does not retain the Hindu character of Nepal, tradition-bound people in the countryside would suddenly find themselves insecure," said politician Shreebhadra Sharma, sympathetic to the centrist Nepali Congress Party.

Others see secularism eroding moral values. "To demand that Nepal be a non-Hindu state is to encourage indiscipline, lawlessness and communal violence like in Northern Ireland and India," said retired British Gurkha officer K-B Rai.

Secularism

Many in Nepal read of frequent Hindu-Muslim riots in Hindu-majority India and link the violence with their southern neighbour's stated goal of secularism.

They see Nepal as a focus for the Hindu diaspora, giving their landlocked country a national identity which it has fought hard to protect from would-be invaders over the centuries.

With no Hindu tradition of conversion, they fear secularism would merely help Muslims and Christians spread their faiths.

International human rights organisations have long criticised Nepal for jailing people convicted of proselytising, most of them Christian schoolteachers.

"We know Hinduism that exists in the kingdom of Nepal cannot be compared with orthodox Hinduism practised in the kingdom of Saudi Arabia, but it becomes difficult for us to convince our governments, back home," said a Western diplomat.

Hindus do not see it as violating human rights, saying they object to evangelists because they criticise other people's religions.

There is already public unease over a decision by Nepal's interim government this month to free or drop charges against more than 100 people convicted or accused of proselytising.

Religions

"The age-old Hindu tradition of respecting other religions has left no provision to lure others to the fold," said university lecturer Sharad Chandra Wasti, 35. "This conversion continues to be a one-way traffic, leaving Hindu vulnerable."

The vulnerability comes partly from the caste system, which defines a Hindu's place in society from birth. This means Hinduism is inherited, not preached, while Hindus born into the bottom of the hierarchy are easily wooed by Islamic and Christian promises of social mobility.

Achyut Raj Regmi, a government minister nominated by King Birendra, has threatened to fast to death if the word Hindu is removed from Nepal's constitution.

He opposes the caste system, saying: "Every human being is an incarnation of god."

His fear is that evangelists could bid for converts with scholarships, medical treatment or even cash bribes. "All I am opposed to is conversion through material enticement," he said.

Regmi said he would fast at Kathmandu's Pashupatinath temple, which draws pilgrims from India, Bangladesh, Indonesia, Thailand, Fiji, Mauritius, Malaysia and Surinam.

The communist United Left Front, a junior partner in the interim government, takes a pragmatic view of both the monarchy and the religion the king represents.

During the democracy protests, the red hammer and sickle flag flew from temples as well as from the carved balconies of houses in the narrow lanes of Kathmandu Valley towns.

QUOTE ME

"On the set I'm an extension of the other actors, like I am on the field with my team-mates. The big difference is that in acting you can do a scene over if that chance. You get the same big high when you're in the zone. If the scene goes perfectly on the first take, the director says, 'cut and print. That's a big high' — like scoring a touchdown." — San Francisco 49ers star Roger Craig on his acting debut in the movie *Dark Obsession*.

"The member governments of the North Atlantic alliance are deeply concerned about last week's outbreaks of violence in Romania which threaten to overwhelm progress toward democracy. The Allies equally deplore the acts of violence by forces in opposition to the government." — Nato Secretary General Manfred Woerner.

"I am optimistic that very soon we are going to liberate a great country and people black and white will say 'why were we so stupid for so long, wasting resources, fighting or supporting an awful system. (The end of apartheid) will help the whole of Africa to be propelled into the 21st century and I think it will be done reasonably peacefully.'" — South African Archbishop Desmond Tutu.

SPECIAL REPORT

Focus



Homeless Iranians sit among their belongings near a tent set up by the Red Crescent in Rudbar. (June 25) (Reuters wirephoto)



A man sits down near his bundled belongings on the remains of his house in Manjil. (Reuters wirephoto)



A homeless Iranian woman sits near her baby in Rudbar. (Reuters wirephoto)



French rescue team (Pompiers) doctors check an injured Iranian in Rudbar. (Reuters wirephoto)

City turns into rubble

Rudbar tragedy

RUDBAR, Iran, June 26. (AP) Ali Reza Rezapur's blue eyes looked exhausted. He had rescued his two sisters from the debris of Iran's killer earthquake, but lost his parents.

The 26-year-old sales clerk said he believes that all of the 100,000 people of this city 300 kms northwest of Tehran have been accounted for, with about 6,000 to 10,000 dead.

Relief specialists aren't sure, but they realise they can't count on residents like Rezapur to help them look any longer.

"They have been digging for three or four days," said Christian Brauner of the German Red Cross. "They can't do any more."

Down the street, an old woman wrapped in her black chador, or head covering, rocked herself and waited in the gateway of what had been her home.

Her 10-year-old granddaughter Sontaya reached out her hand to stop the woman from beating her chest.

"I have lost everyone," the woman cried. Nine of her family, including two married daughters here and in nearby Manjil, have been killed.

The remaining members of her family, all still grief-stricken, gathered around her on the sidewalk.

Among them was her 2 1/2-year-old grandson, who sat dazed in his father's arms, sucking on a pink pacifier. His face, like his father's, bore scars from cuts sustained in the rubble before they were pulled out.

A helicopter flight over the rugged mountainous region near the Caspian Sea showed that many cities, towns and villages are little more than fields of rubble. The pilot lamented that there was no way to reach all the remote villages in time to save trapped people. Landslides have closed the narrow roads to heavy equipment.

In Rudbar, virtually every building was severely damaged or destroyed when the earthquake struck shortly after midnight last Thursday.

Latest estimates put the nation-wide toll at 50,000 dead, 200,000 dead and 500,000 homeless.

The Red Cross' Brauner said one reason the toll was so high was that Iranians in the area have large families who sleep in just a couple of rooms. Many were crushed in their beds.

Rezapur survived because he was sleeping on the roof of his parents' house.

"When the earthquake started, I didn't know what to do so I just prayed," he said.

When the shaking stopped, he stood up to go check on his family.

"I took one step and fell through a hole," he said. "I didn't realise the roof had collapsed."

He pointed far up the hillside to a gap in the houses to show where his home had been.

"Then I started digging as fast as I could to get my sisters out from under a wall that had fallen. They're fine now. But my parents were in another room and I wasn't able to get to them for eight hours. They were dead."

Highlights

No hope left: Western rescue workers in quake-hit Iran said on Monday there was no hope left of finding any more survivors and some lashed out at Iranian authorities for not making full use of their expertise.

This earthquake was even worse than Armenia, the worst that I've ever seen. We have no hope but we'll continue searching," Louis de Nantes, part of a 200-strong French rescue team based in the flattened towns of Manjil and Rudbar, told Reuters.



An old Iranian walks through the rubble in Manjil. (June 25) (Reuters wirephoto)

Opec sends \$100,000 aid: Opec's fund for the international development has extended \$100,000 as aid to the victims of the earthquake which shook northwest of Iran, killing about 50,000 people, and left about the same number homeless.

A statement by the fund said that the aid is "symbolic" to express the fund's solidarity with the Iranian people.

On the other hand, chairman of the fund's governors council, Deputy Finance Minister of Saudi Arabia Dr Osama Faqih sent a message to the Iranian President Ali Akbar Hashemi Rafsanjani in which he expressed his sympathy with the Iranian people especially those who lost their houses and property.

(Kuna)

Rushdie donates £5,000: Writer Salman Rushdie, who has been sentenced to die by Iran, has donated 5,000 pounds (\$8,000) to aid victims of last week's devastating earthquake in Iran.

He donated the money on Monday to the 'Independent' Iranian earthquake appeal, organised by the Independent newspaper to help survivors of the earthquake that has left an estimated 80,000 people dead.

"I wanted to join the Independent and the hostage families and many other people in their appeal for contributions towards the needs of the Iranian earthquake victims," Rushdie said in a message delivered from his place in hiding about the £5,000 donation. (UPI)

Disease epidemic fears unfounded: Fears that an epidemic of contagious disease might be spawned by the thousands rotting and unburied corpses left after Iran's earthquake are unfounded, health officials said Monday.

At least 50,000 people were reported killed in the earthquake that struck Thursday. Iranian officials said they are worried about the danger of infectious diseases and contamination of the water supply in part because of unburied bodies.

Officials of the US Centres for Disease Control in Atlanta say that diseases such as typhoid and cholera simply do not occur after disasters, even in the absence of vaccinations. (AP)

Supplies still needed: UN: Iran still needs tents, blankets and medical supplies to cope with last Thursday's earthquake, the UN Disaster Relief Organisation (Undro) said on Tuesday.

"Our delegates on the spot confirm that there is a massive flow of aid coming in at this moment from various countries, a great number of relief flights arriving in Tehran," said Fabrizio Gentilini, a senior relief co-ordinator for Undro.

He said that with about 500,000 homeless, the need for shelter along with such items as collapsible water containers to help prevent water-borne diseases was a main priority. (Reuters)

Relief effort efficient, impressive: At the headquarters of the Red Crescent Society, Iran's equivalent to the Red Cross, the sidewalk and lobby are stacked high with blankets, clothes, food, stores and medicines donated by people across the country.

Dozens of volunteers sort through the piles, boxing them for shipment to the northwest where a half-million people have become homeless after a giant Thursday's earthquake disaster. (AP)

Iran denies blocking foreign aid: Iran has denied blocking foreign aid for the victims of last week's earthquake which killed at least 50,000 people but some Western rescue workers accused Tehran of not making full use of their expertise.

Foreign relief officials said on Monday there was no hope left of finding more survivors in the area of northwest Iran devastated by last Thursday's massive quake. (Reuters)

Iranian ambassador to UN, Kaamakh Kharrazi talks to the press in New York. (Reuters wirephoto)

Iranian women and children stand near their bundled belongings in Rudbar. (Reuters wirephoto)

Iranian soldiers unload bags of food and other aid from an Ilkhshir cargo plane near Vazir Khan. (Reuters wirephoto)

Iranian ambassador to UN, Kaamakh Kharrazi talks to the press in New York. (Reuters wirephoto)

EVENTS

Indian Video Roundup

No tall tales, just short takes

By Fathima Ahmed
Arab Times staff

KAMAL HAASAN says "Either you are a good actor or you are not." The tall and the short of it is that Kamal is a good actor, an entertainer who gets under the skin of the character. Like Appu in *Appu Raja*, a Hindi-dubbed version of the Tamil blockbuster *Apoorva Sahodargal*.

In a recent report, Kamal Haasan admits being carried away by the character of Appu, a dwarf in the film. "I could not even think beyond the limitations of Appu," he said. But he can.

Appu Raja is a racy entertainer. Appu is an endearing character; so is Raja, unwittingly caught in an unexplained intrigue. Its hard to categorise this film. It's a satire, tragedy, comedy and action film all rolled into one, making it more exciting and enjoyable.

It must have been a challenge for director Singeetham Srinivasa Rao, who innovates, improvises and retains the breathtaking pace to tell the story of the intertwined fortune and misery of Appu and Raja.

There is pathos in Appu's bitter-sweet experience. Appu looks upto the world to find it's tall and large yet unaccommodating. The world is too tiny and constrained to meet his simple, but humane dwarfish desires. Instantly, you empathise, crying or laughing with him.

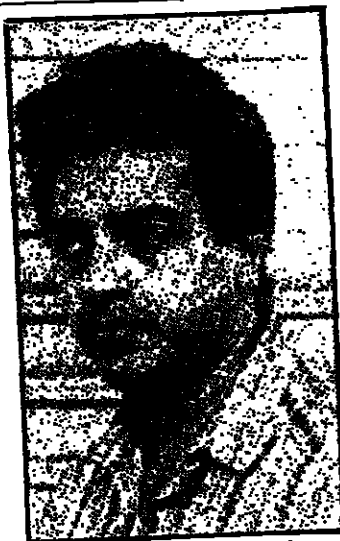
Appu is an adorable little person — an individual, like any other individual, seeking acceptance. That life is not all glorious is a lesson that we learn through Appu's experiences.

Raja belongs to the big, bad world. He is a part of the machinery that takes toll of even the toughest human being. But he rises above the mundane and comes to terms with his disaster-prone personality; laughing his way in and out of jail. In one hilarious moment, he refuses to be "released from jail."

"You bring me in and take me out. I refuse to leave unless you make up your mind," Raja tells a caricatured police inspector. But he is booted out anyway. He is on the run after he "discovers" a corpse behind a curtain.

Invigorating and refreshing moments make up the fabric of *Appu Raja*. No tall tales in this movie; it's just short takes.

Kamal Haasan has refused to give out the secret of how Appu — the dwarfish clown —



Kamal Haasan: superb

was done. "That's my little secret," he says. Well, it doesn't really matter. What matters is how Raja is dwarfed by Appu's triumph. That Appu accomplishes a larger than life feat making him bigger, taller and stronger than everyone else. And that, in essence, is the success of Appu Raja.

After the ear-splitting music from Bombay, Ilaya Raja's soothing musical score comes like a breath of fresh air.

Kamal Haasan's superb portrayal of both Appu and Raja has won him wide acclaim in India. This is not surprising; he slips in and out of each characterisation with such ease that it's hard to believe that both characters have been played by the same actor. Other actors in the film give ample support, convincing you they are almost real. And like his parrot, you become Appu's best friend.

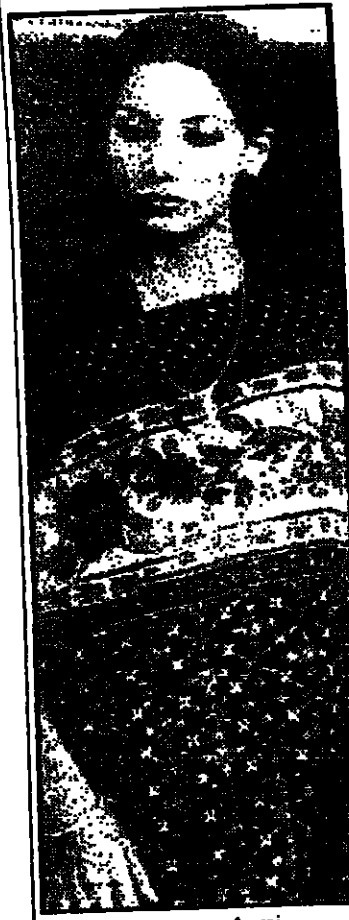
Muqaddar Ka Badshah
As fate would have it, this is just one of those movies that go all out to prove that filmmakers can still hoodwink you. Directed by T. Rama Rao, it harps on the prowess of the underdog who becomes a tiger to destroy those who ruined his way of life. Like all avengers, he has the qualities of superman, except his costume. Such a devastating characterisation can only spell doom for the villain.

"Muqaddar" is a rerun of emotional blackmail but Rao handles it differently, juggling the theme, as it were to bring backwards or forwards the sequences with the most emotional appeal, like the bride's attempted rape on her wedding night; innocent people taken to court on trumped up charges; and a husband-and-wife lawyer team pitted against each other for good measure. The story, credited to Paruchuri Brothers, tugs at your heartstring to forgive the lawyer for perpetrating devilish deeds for his daughter's happiness. It also seeks glory for superman saviour, played by Vinod Khanna, for his obsession to seek his sister's happiness.

So, the implausible rags to riches transformation takes place; and by the time they get to redemption and destruction of evil, the tell-tale signs of emotional strain begin to show as the curtain falls on "Locha locha..." a number that was touted to create a storm. Vinu Shah's score only manages to annoy.

Shabana Azmi and Anupam Kher are the only two performers who seem convincing; Amrish Puri walks through his performance as he has done in scores of other movies. Vijaya Shanti acts tough to play the customs officer; and Vinod Khanna — well it was a vehicle to propel him beyond stardom.

When you watch Vinod walk to court with both knees injured, you feel, well, if you want to be hoodwinked into believing this is cinema, so be it. The above films are by courtesy of Athari Video, Main St, Farwasiya; and Canary Video, Fisheries Bldg, Sharq.



Shabana Azmi



Kamal Haasan as Appu.



Vinod Khanna and Vijaya Shanti in Muqaddar Ka Badshah.



NRI souvenir

Indian Ambassador A.K. Budhiraja on Monday released a souvenir published on the occasion of the third Gulf NRI seminar in New Delhi. The souvenir, published by the NRI Investors Forum, Kuwait, focusses on non-resident Indians in the Gulf and contains messages from a number of Indian dignitaries. More than 100 Indians from Kuwait are expected to attend the seminar. Above: Rajan Nireswalia presenting a copy of the souvenir to Budhiraja.

TELEVISION PROGRAMMES

KTV 1

- 9.00 Holy Quran
- 9.15 Nabia Wa Saleh: cartoon serial
- 9.40 Iflah Ya Simsim
- 10.10 Good Morning
- 10.30 Al Khittah: Arabic serial; starring: Omar Al Hariri, Samiya Al Alfi, Hussein Al Sharbini, Nabeel Al Dasouqi.
- 11.15 News Summary
- 12.00 Hamoun Wa Tamoun: Arabic serial; part 4; featuring Samir Fahad, Ahmad Al Qawasimi, Antonette Najeb
- 1.00 News Summary
- 1.05 World News via Satellite
- 2.00 Sanavar: cartoon serial
- 2.30 Saif Haar: Gulf serial; featuring Saleh Bin Za'al Al Faris, Saud Al Darmiki, Amina Abdul Rasool
- 3.30 The New Lassie: English serial
- 4.30 Al Husn: variety show
- 5.30 Adventures: cartoon serial
- 6.30 Tomorrow's World
- 7.30 Songs
- 8.15 Folklore: presented by Hmoud Al Baghli
- 9.00 News in Arabic
- 9.45 Uyoum Al Akhireen: Arabic serial; featuring Basi, Abu Bakr Ezzat, Hamdi Ahmad Abdul Aziz
- 11.00 Soora Ijtimaiah: "Al Mubtasim". Starring: Zuhair Abdul Karim,



Haji and Omra, 8.30 pm, KTV-2

- Ali Sirwas, Faris Al Helou.
- 12.25 News summary
- 12.30 World News via Satellite
- 12.45 Holy Quran/Closedown

KTV 2



New Lassie, KTV 1

- 6.40 Mr. Belvedere
- 7.00 Beyond 2000: A look at space exploration; latest computers; ultrasonic products and metal video discs.
- 8.00 News in English
- 8.30 Haji and Omra. This programme examines the significance of the pilgrimage.
- 9.10 Q.E.D. "Welcome to Fat Camp". This episode focusses on a summer camp for overweight teenagers and how they are helped.
- 9.40 A Man Called Hawk: "Life After Death". A black girl is killed and her white boyfriend is accused of murder. Hawk thinks otherwise.
- 10.30 Cine Club: "The Lion in Winter", presented by Farouq Abdul Aziz.
- 12.00 News in Brief
- 12.10 Magazine D'Actualite
- 12.30 Special Report on World Cup/Closedown

Please note that Kuwait television programmes and timings are liable to change without notice.

WHAT'S ON

Kapilku

July 5: Kapilku awards certificates of attendance to those who attended tailoring, book-keeping, basic accounts and basic computers courses. The ceremony will be held at Al Aralya Restaurant, 8 pm. Philippine Ambassador Manayag Mohammad Tamano will be the chief guest. Buffet dinner. KD 3 per person. Proceeds will go toward the school fund.

Those who attended self-improvement classes are asked to contact Sarah Macarim-bang. Tel: 4839009; 4839889; 4843447.

Weekend Club

July 2: The Weekend Club will hold "Red and Black Nite" at Regency Palace Hotel. Highlights include selection of the Red and Black Queen. The "Man of the Year" award will be announced. Top Ranks and Stepping Stones bands in attendance. Dress casual but strictly red and black combination. For details contact Julio Cardozo. Tel: 4315425; Hilary 5741380; Mercedes 4890566.

Natyia Bharati

Natyia Bharati calls amateur dramatists to audition for their fourth production entitled "Badi Buaji" (The Big Aunt), a full-length comedy which will be performed in mid-October. Required a female lead, young smart lady, past stage experience would be an asset; two supporting actresses; character actors, a middle-aged man with a good personality and two young men in their early 30s. Genuinely interested people who plan to stay in Kuwait during summer holidays can contact 4880965 or 5623810 after 1.30 pm or 3721545 after 8.30 am for further details.

D'Aasiast Association celebrates 10th anniversary

Oct 4: Holy mass at 6.30 pm at the Holy Family Cathedral, Kuwait City, followed by a social at 8.30 pm at the Messiah Beach Hotel. For more details please contact Tel. No. 2469811/12 or 3717346 after 5.30 pm.

Overseas Students Party

June 27, 6 pm: British Council will hold a reception for all students who will be studying in the UK this autumn. The party will be for all students who have been offered a place at any UK university, polytechnic or college. A set of briefing notes will be given to each student. Refreshments will be served. Students going to the UK are asked to call in to collect free admission cards from Kate or Lix in the Education Office, British Council, 2 Al Arabi St, Mansouriya.

Beat Festival

July 12: Coming up next month is the Beat Festival featuring such bands as Neighbuzz, Hurricane, Symphony. The show will be performed at the Anak Restaurant, opposite G.P.O. More details later.

Summer Belle '90

Aug 2: UGC will hold "Summer Belle '90" at the SAS Hotel's The Tent. Top Ranks and Hurricane Alley in attendance. More details later.

At the International

Falaka: situated on the 19th floor, overlooking the coastline, it offers international cuisine; live entertainment in the evenings. Closed on Fridays.

La Palma

La Palma: offers buffet as well as a la carte. Family style brunch on Fridays.

At the Meridian

At the Meridian: ice cream promotion featuring different flavours, until August 1990.

At the Messiah Beach

At the Messiah Beach: Al Mubarakiah: open around the clock; seafood promotion on Wednesdays, 7 pm; Fridays — Middle Eastern cuisine.

At the Holiday Inn

At the Holiday Inn: Al Ahmadi Coffee Shop: breakfast, lunch and dinner buffets.

At the Andalus Supper Club

At the Andalus Supper Club: Arabic Nite, every Thursday; Arabic band entertains guests.

Friday Family Lunch: Disney fantasy on Fridays

Friday Family Lunch: Disney fantasy on Fridays. June 27, 6pm; June 28, 10 am: Children's film — Care Bears — Making Friends; 66 minutes. Please book seats.

At the Meridian

At the Meridian: La Brasserie. Thai Corner: Saturday night. Cowboy Night: Every Sunday, with live country music.

Greek Taverna: Mediterranean magic with bousouki music

Greek Taverna: Mediterranean magic with bousouki music. Indonesian corner: on Wednesdays; food prepared in front of you.

Jazz Night: New Orleans atmosphere on Thursday night

Jazz Night: New Orleans atmosphere on Thursday night. Friday: Oriental luncheon buffet; family day.

Versailles: Business lunch; and a la carte dinner

Versailles: Business lunch; and a la carte dinner. At the Plaza: Al Dallah Coffee Shop: international cuisine; open buffet plus menu.

Lolouwah Corner: snacks and refreshing summer drinks

Lolouwah Corner: snacks and refreshing summer drinks. Marco Polo: Italian ambience and cuisine, particularly pasta.

At the SAS Bistrette: Sunday/Wednesday — pasta night; Italian music

At the SAS Bistrette: Sunday/Wednesday — pasta night; Italian music. Peacock Room: Chinese cuisine; lunch and dinner.

CINEMA TODAY

- Al Andalus
- Al Raqassah Wal Siyasi (Arabic)
- Starring: Nabila Obaid, Salah Qabil
- Al Salmiya
- Close until July 13
- Al Hamra
- Al Raqassah Wal Siyasi (Arabic)
- Starring: Mustafa Mutwali, Salah Qabil, Nabila
- Drive-In
- Al Falakeen Ahham (Arabic)
- Starring: Saeed Salem, Hayatim
- Al Firdous
- Dost Garibon Ka (Hindi)
- Starring: Govinda, Neelam
- Fahad Open-Air
- Shriman Shrimati (Hindi)
- Al Fahad
- Ighthal Madrasah (Arabic)
- Al Jahra
- Calibre 357
- Granada
- Al Malik Lillah (Arabic)
- Sahibkhat
- Nair Saab (Malayalam)
- Starring: Mammootty
- Al Jeeb
- Enter the Dragon
- Ahmedi Drive-In
- Hanafi Al Abahahu (Arabic)

PRAYERS

- Fajr 3.15 am
- Zuhr 11.51 am
- Asr 3.25 pm
- Maghreb 6.51 pm
- Isha 8.24 pm

BUSINESS & FINANCE

Saudi Arabia offers bonds to foreign investors

BAHRAIN, June 26. (Reuters) Saudi Arabia has offered its state bonds to foreign investors in a dramatic policy turnaround aimed at widening its secondary market for the instruments, Gulf-based bankers said today.

They said the Saudi Arabian Monetary Agency (Sama) had told commercial banks in the kingdom they could sell the two to five-year development bonds issued since 1985 to help cover budget deficits to several new categories of investors.

This included banks operating in the Bahrain-based offshore market, overseas branches of Saudi firms and any institution

incorporated within or simply resident in the six-member Gulf Co-operation Council (GCC).

The GCC groups Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates in an economic and political alliance.

Bankers said the move, the latest in a series of steps by Sama to broaden the bond market, indicated the kingdom would rely on the instruments as a source of cash for years to come.

New buyers were needed because there was

a limit to how many bonds Saudi institutions could take up, they said.

"It's a 100 per cent turnaround of their previous policy — our understanding for years has been that the Saudi authorities are not keen to see the rial issued as an international currency," one senior Bahrain-based banker said.

No-one is saying how many bonds have been issued so far but bankers say commercial banks have taken around a third of the total and state-owned institutions the remainder.

Brokers said Sama's decision to offer the bonds outside the kingdom was a major step

forward in the development of Gulf capital markets.

"It is a long-awaited move by dealers who would like a further degree of sophistication in what has been a basically simple market in the past," Jonathan Peeters, director of Charles Fulton Gulf WLL, told Reuters.

Bankers say there has been little activity offshore so far but many enquiries, particularly from Bahrain-based banks.

Peeters said Charles Fulton, an international money brokerage firm, had handled a couple of deals for the bonds but declined to

give details.

Sama launched a secondary market for the regular 1.5 billion riyal (\$400 million) offerings late in 1988 by allowing its 11 commercial banks to sell the paper to Saudi firms and citizens.

Enthusiasm was dampened by competition from higher-yield interbank deposits, tight liquidity and a high minimum repurchase amount of one million riyals (\$266,000).

Early in 1989, Sama approved plans for six top Saudi banks — National Commercial Bank, Saudi American Bank, Saudi British Bank, Riyadh Bank, Al-Bank Al-Saudi Al-

Fransi and United Saudi Commercial Bank — to act as market-makers for the bonds.

It also cut the minimum repurchase limit for individual investors to 50,000 riyals (\$13,300).

No figures are available for the volume of business on the secondary market, but senior bankers said it averaged around 300 million riyals (\$53-80 million) on a bi-weekly basis.

A major obstacle has been the traditional preference by Saudis for short-term, high-yielding investments.

Dollar closes mixed in Europe

LONDON, June 26. (Agencies) The US dollar closed mixed after trading in narrow ranges against the major European currencies. Gold was down.

Currency analysts said the dollar was relatively unaffected by comments from President Bush that tax revenues increases would likely be a part of any budget deficit reduction plan.

Dealers in London and New York were selling dollars for British pounds on the belief that the government will keep interest rates at 15 per cent through the autumn, one dealer said.

"The dollar was fairly flat, most of the market activity has been in sterling, with anticipation of an exchange rate mechanism entry announcement," said a trader at Barclays de Zoete Wedd in London.

The market seems to be a little gungho about it," the dealer said, referring to Britain's potential for entering the European Monetary System, which could help ease inflation and interest rates.

The US unit closed marginally higher in Frankfurt at 1.6770 Deutsche marks against 1.6760 at yesterday's close, and also was up in Zurich at 1.4125 Swiss francs against 1.4050.

In London, the pound closed higher against the dollar at \$1.7375 from 1.7305 yesterday.

The dollar inched lower in Paris and Milan, at 5.6315 francs against 5.6325, and at 1.2325 lire against 1.2320, but moved marginally higher in Brussels at 34.48 Belgian francs against 34.36.

Earlier in Tokyo, the US dollar sagged against the Japanese yen on profit-taking after four consecutive gains.

The dollar closed at 155.23 yen, down 0.39 yen from yesterday's close of 155.62 yen, the Bank of Japan said.

Gold closed lower in Zurich at \$349.50 an ounce against \$353.50 an ounce, and also was down in London at \$349.75 an ounce against \$353.50 an ounce.

Analysts in London said gold was weakened by nervous dealer selling and liquidation.

Silver closed lower in Zurich at \$4.60 an ounce against \$4.85 an ounce, and also was lower in London at \$4.79 an ounce against 4.85 an ounce.

In London Stock Exchange share prices ended mixed today, as an early romp higher ran out of steam toward the end of the day.

The Financial Times-Stock Exchange 100-share index was up 1.3 points, or 0.05 per cent, at 2,399.8 at the close.

The Tokyo Stock Exchange's chief index rebounded sharply today.

The Bank of Japan also bought 200 billion yen (\$1.3 billion) worth of Japanese government bonds today, said, and investors "saw the action as indicating the central bank's policy to allow no further rises in the nation's short-term interest rates."

The Kuwaiti dinar interbank deposit market was fairly quiet today, as operators were settling up positions ahead of the Eid Al Adha holiday due at the beginning of July, dealers said.

Some business was seen in overnight, which was later being quoted around 8-5/8, 8-1/8 per cent. Both tomorrow's and spot rates were inactive, they said, because the market was uncertain as to when the Eid holiday would fall. Fixed rates continued quiet, with one month quoted at 8-1/16 8-1/2, three months at 8-3/4 8-1/2, six months at 8-3/4 8-5/8, and one year at 8-1/2 8-5/8.

The Central Bank fixed the dinar at 0.29282/92 to the dollar.

At the start of foreign exchange trading in Switzerland today, one Kuwaiti dinar was trading at 4.8229 Swiss francs, slightly higher than the closing rate of 4.7915 yesterday, the Swiss-Kuwaiti Bank reported.

Kuwait, Tunisia sign loan accord

TUNIS, June 26. (KUNA) Kuwait and Tunisia signed a loan agreement here today under which Kuwait offers Tunisia ten million Kuwaiti dinars (\$34 million) to finance construction of a highway linking two main cities.

The agreement was signed by director of the Kuwait Fund for Arab Economic Development (KFAED) Bader M. Al Humalithi on behalf of Kuwait and the Minister of Planning and Development Mustafa K. Al Nabl on behalf of the government of Tunisia.

The overall cost of the project is estimated at about \$155 million, of which Kuwait is contributing 19 per cent. According to the plans, the project should be completed by the middle of 1993.

Opec bids to reverse sharp oil price slump

Aminu in surprise visit to Saudi Arabia

NICOSIA, June 26. (Agencies) Opec President Sadek Bousseina, alarmed by the organisation's failure to reverse a sharp slide in world oil prices, has widened his latest diplomatic thrust to include hard-hit members Nigeria and Indonesia.

Nigerian Petroleum Resources Minister Jibril Aminu made a surprise visit to Saudi Arabia today met Bousseina who was ending a tour of five major Gulf producers.

The Saudi Press Agency SPA said Bousseina "stressed the need for

adherence by Opec members to their output quotas" to stabilise prices that tumbled by 30 per cent this year because of the glutted market.

In Baghdad, Iraqi Oil Minister Issam Al Chakabi said Opec was losing \$5 billion each month because of the drop in prices.

Oil analysts said that reserve-rich and sparsely-populated Gulf Arab states were able to offset the drop in prices by simply producing more.

Others with large populations like Indonesia are unable to meet their Opec quota because their production capacity has levelled off.

Diplomats said Bousseina, who arrived in Jeddah yesterday, twice met Saudi Arabian Oil Minister Hisham Nazer to brief the world's biggest exporters on the outcome of his tour that has taken him to Iraq, the UAE, Iran and Kuwait.

Bousseina warned earlier this month of a repeat of the 1986 oil market crash when prices tumbled to below \$10 a barrel if Opec did not move to soak up a glut of more than a million barrels a day that is depressing prices.

Opec delegation sources told Reuters today Bousseina was expected to host a mini-Opec meeting in Algiers on July 3 that would be attended by Kuwait's newly-appointed Oil Minister Rashid Salem Al Ameri and Opec trouble-shooter Ginnadjar Kartasamsita of Indonesia.

They could not say, however, whether other ministers might join the meeting which Bousseina hopes would pave the way for a consensus ahead of what appears to be a stormy meeting of the group's 13 oil ministers in Geneva on July 25.

SPA, received in Cyprus, said Bousseina left Saudi Arabia but did not give his next destination.

In Houston, Indonesia's oil minister said yesterday that Opec is pumping less oil now.

Ginnadjar Kartasamsita told Houston oil industry executives that contractual obligations have kept some Opec members from curbing production overnight, but that, nonetheless, oil output is slowly coming down from highs seen in April and May.

Oil experts from the Arab Maghreb Union have started a technical meeting in the Libyan capital, Tripoli, the Libyan news agency Jana reported.

It said the meeting, which started yesterday, would discuss a series of energy issues and review decisions made by the Maghreb Union's committee of experts on oil and gas resources.

Venezuela is planning to extend the San Jose agreement, under which it supplies Caribbean and Central American nations with crude oil, to include Haiti and possibly Cuba.

In statements published in yesterday's newspapers, Energy Minister Celestino Armas said Haiti would be included for the first time to "give a bit of encouragement to its democratic process."

He also said Venezuela and Mexico are considering selling refined products for the first time under the San Jose agreement.

Under the agreement, a regional co-operation programme, Venezuela and Mexico supply Caribbean and Central American nations with crude paid back in easy credits.

ABC share price rises after trading

BAHRAIN, June 26. (Reuters) The share price of Arab Banking Corp. BSC (ABC) rose 5.3 per cent today, the first day its newly-issued shares were traded on the Bahrain Stock Exchange.

Brokers said 200 shares were sold at \$14.75 per share to one investor. Another bid unsuccessfully at \$14.50.

The shares were floated at \$14, above their par value of \$10 but below a book value at end-1989 of \$15.33.

"It's difficult to judge the response at this stage because most people are waiting to see which way the price will go," one broker said.

Bankers say the bulk of trade in ABC's 25 million new shares is likely to take place in Paris, where trading was also due to begin today.

Bankers said about 90 London club banks would have to consent to the accord prepared by a six-bank steering committee before it could take effect, perhaps by the end of July.

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Four days left

Hundreds of East Berliners queue patiently in front of a bank on East Berlin's Alexanderplatz yesterday. They have four days left to arrange their banking affairs before the currency union between East and West Germany gets into force on July 1. (Reuters wirephoto)

More tax revenues needed, says Bush

WASHINGTON, June 26. (AP) President George Bush said today that "tax revenue increases" must be included in any deficit-reduction package that the White House works out with congressional negotiators.

Bush's written statement did not explain what he meant. He did not say whether he was considering an actual tax increase or where he was talking about higher revenues from the current system.

Deficit estimates have increased substantially since Bush unveiled his proposed 1991 budget and red ink may total more than \$200 billion in the next fiscal year.

Bush's willingness to include the word "tax" was the strongest indication to date that he might be willing to accept tax hikes as part of an effort to drive down next year's federal budget shortfall.

Bush's statement was released after the president met with congressional leaders in effort to revive lagging negotiations over a deficit-reduction plan for next year.

The fiscal 1991 budget Bush unveiled in January contained \$19.7 billion in new taxes, user fees and other revenues. Some congressional leaders have complained throughout seven weeks of budget negotiations that amount is insufficient to take a serious bite out of the deficit.

The Gramm-Rudman budget-balancing law will trigger widespread spending cuts on Oct 1 — the start of fiscal 1991 — unless the gap is kept to \$74 billion or less.

Jordan trying for bank deal

AMMAN, June 26. (Reuters) The Jordanian Government, under parliamentary fire for its handling of the debt-ridden economy, is trying to close an elusive rescheduling deal with banks.

Finance Minister Basel Jrdaneh, Central Bank Governor Mohammed Said Nabulsi and his deputy Michel Mario flew to London today to initial a long-delayed formal rescheduling agreement with commercial banks grouped in the London club.

On the eve of the mission, Abdullah Nsour, head of the lower-house's finance committee, attacked the six-month-old government of Prime Minister Mudar Badran for failing to keep its promises.

"The government has not come up with a clearly defined policy... unemployment is mounting and the problem is left for circumstances to solve," declared Nsour, speaking for a 22-member national bloc of contrists in the 80-seat assembly.

He accused the government of reneging on promises to consult Parliament before lifting food subsidies and said it had failed to pursue vigorously cases of alleged official corruption.

Badran has yet to respond to the criticism, which underlines the delicate task facing the government in trying to satisfy the International Monetary Fund and stave off popular discontent.

Jordan, grappling with an \$8 billion foreign debt, embarked on an IMF-approved austerity plan in April 1989.

The reforms and a sharply devalued dinar narrowed last year's trade deficit to 687 million dinars (\$1,025 million) from 697 million dinars (\$1,040 million).

Officials expect a much smaller trade gap this year and say remittances from Jordanians working abroad are higher than last year. A plentiful supply of dollars has eased pressure on the dinar, stable for the past 11 months.

Arab aid, a vital revenue source, has flowed in since King Hussein appealed for help at last month's summit in Baghdad.

Jordan has received \$235 million in cash. It has been promised at least a further 75 million this year,

\$100m grant

Saudi aid to Jordan

AMMAN, June 26. (AP) Saudi Arabia has donated \$100 million to this financially strapped kingdom and promised more aid before the end of the year, the state-owned Petra news agency reported yesterday.

The grant fulfilled a pledge made during last month's Arab summit conference in Baghdad, Finance Minister Basel Jrdaneh told Petra.

"Our brotherly Saudi Arabian government has granted Jordan \$100 million as a first instalment of its share in Arab financial support for Jordan in 1990," Jrdaneh was quoted as saying.

Jrdaneh thanked the Saudi government for "this generous donation which will help Jordan overcome the present economic challenges."

He did not reveal the total amount of Saudi aid to be paid by the end of the year.

But a senior government official told foreign journalists last week that Arab governments had pledged to provide Jordan with \$270 million this year.

bringing in reach the target of \$360 million needed to balance the budget.

Yet some foreign observers are worried by the failure to complete rescheduling deals with banks and official creditors, and delays in setting out IMF targets for the current year.

"Jordanians have difficulty in dealing with international institutions perhaps because they lack experience and because their ideas of sovereignty clash with the recommendations of international donors," one Western economic expert said.

Bankers said about 90 London club banks would have to consent to the accord prepared by a six-bank steering committee before it could take effect, perhaps by the end of July.

Business News Briefs

Maxwell's profits fall: British publishing and investment group Maxwell Communication Corp PLC reported on Tuesday a 10 per cent fall in pre-tax net profit to £172.3 million (\$298 million) for the year to March 31.

Maxwell shares fell four pence (seven cents) to £1.95 (\$3.38) on the London Stock Exchange after the company announced the figures.

It said turnover dropped by 10.8 per cent to £1.24 billion (\$2.15 billion) from the previous year.

Share analysts said they were concerned at Maxwell's £2.1 billion (\$3.64 billion) debt level — against market estimates of £1.7 billion (\$2.9 billion) — and at the level of earnings. (Reuters)

RAM flights delayed: Royal Air Maroc (RAM) international flights were delayed on Tuesday when 1,600 ground staff went on strike to back pay and benefit demands, a union spokesman said.

The spokesman for the Union Marocaine du Travail (UMT) trade union federation told Reuters members could refuse daytime work until Sunday unless management agreed to discuss their demands which include a 20 per cent pay increase.

The latest industrial action follows the refusal by ground staff to handle baggage or cargo for daytime flights last week. (Reuters)

Rover sweeteners: The European Economic Community will on Wednesday order British Aerospace PLC (BAE) to repay at least £44 million (\$76 million) of hidden government aid received when it bought carmaker Rover group, European Commission sources said.

The sources said on Monday that EEC competition commissioner Sir Leon Brittan wanted BAE to repay £23 million out of £28 million (\$37 million out of \$66 million) worth of "sweeteners," or incentives, secretly granted by the British government to ensure it bought Rover in August 1988.

The sweeteners were not reported to the commission, the Community's Brussels-based executive, and only became public when a report was leaked in November. (Reuters)

Protectionism hurts: The World Bank's president has told US President George Bush that import barriers by the United States and other wealthy countries costs the Third World more than those countries give in foreign aid.

In 1988, the last year for which complete figures are available, aid reached \$48 billion. The United States is the largest single contributor though it ranks low when its own wealth is taken into account.

Liberalising ownership: Portugal said on Monday it was fully liberalising ownership of foreign shares by residents as part of moves towards European economic and monetary union.

A Bank of Portugal (Central Bank) statement said that from July 1 Portuguese residents would be able to own shares on any foreign regulated capital market.

"As a result of the process begun in January 1989 of gradually opening access of resident investors to international financial markets, conditions have been created to move forward the complete liberalisation of securities in foreign quoted shares... eliminating the system of limits," the bank said. (Reuters)

No intervention: President George Bush has decided not to intervene in the possible acquisition of Norton Co. by a British business after reviewing the deal from a national security standpoint, it was announced Monday.

Norton manufactures abrasive products and engineering materials and is a leader in development of advanced ceramics and diamond films.

A 1988 law authorises the president to investigate and, if necessary, to suspend or prohibit the purchase of an American business by a foreign company on national security grounds.

Norton may be acquired by BTR PLC of Britain. (AP)

Trade agreement: US trade representative Carla Hills said on Monday that many nations might walk out of global trade talks in Geneva and limit any reform reached if the European Community did not cut back farm export subsidies and end import restrictions.

She said of the agreement that might emerge: "We might be able to pull out a chestnut so ugly that it would be not palatable to anyone."

Hills told the Institute for International Economics that President George Bush had preferred a poor agreement to no agreement in the effort to reform world trading rules now being negotiated by the 97 members of the General Agreement on Tariffs and Trade. (Reuters)

Access to investments: Texas oilman T. Boone Pickens said Tuesday he will take his fight for access to investments in Japan to the Houston economic summit in July and make his case a test of Japan's promise to open up.

"I may not know my way around Tokyo, but I know how to get things done in Houston," Pickens said at a new conference.

IPC's two-third issue sold within weeks

ALMOST two-thirds of the share and warrant units available under the International Petroleum Corporation's recent multi-million dollar issue have been sold within two weeks of the launch.

IPC, which operates several oil and gas concessions in the Gulf including the Bukha field in Oman, says 3.5 million units, each worth Cdn \$2.75, have been bought resulting in an income of Cdn \$9.625 million.

Five and a half million units were offered for sale earlier this month in a bid to raise finance to help fund drilling programmes in four countries including the UAE (Ras Al Khaima), Libya and North Yemen. The balance of any net proceeds will be used for ongoing exploration and development activities.

The issue, which sparked widespread interest in Middle East following a company roadshow which took Dubai, Abu Dhabi, Bahrain and Kuwait, is to remain open until all the units are sold. Each unit consists of common share and one half of one warrant.

Warrant holders are entitled to purchase an IPC share at a fixed price of Cdn \$3.25 at any time over the next two years.

IPC, which earlier this year unveiled a major expansion programme, recently announced that its 1990 exploration work schedule is well under way with seismic survey completed or in progress in North Yemen, Sri Lanka, Malaysia, Ethiopia and Vietnam.



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BUSINESS

States reveals bargain plan

Tough trade talks in Tokyo

TOKYO, June 26, (UPI) — The United States has told Japan it will strive to put its budget into the black as its side of the bargain in trade talks.

The US plan involves amending current budget-balancing legislation to provide for budget surpluses after 1993, said a senior administration official participating in the negotiations.

It will also involve using surplus funds from social security coffers to pay off federal debt, said the official, who briefed reporters on condition of anonymity.

The plan was presented to Japan during the second day of talks in Tokyo on broad measures to correct the \$45 billion trade imbalance between the two nations.

The talks make up the last round of a yearlong effort called the Structural Impediments Initiative.



Protest breakers

Police try to break apart female factory workers who staged a sit-in in the rain at the Kure factory district in southern sector of Seoul yesterday. About 500 workers took part in the demonstration, which was in protest at what they said were government attempts to crush legitimate labour activities. (Reuters wire photo)

Japan's economic expansion to go on

TOKYO, June 26, (UPI) — Japan's economy, which has entered its postwar second longest period of continuous expansion, showed little signs of slowing down, the economic planning agency said in its monthly report today.

The agency's director General Hideyuki Aizawa reported at a cabinet session today that corporate spending on plant and equipment remains so strong that robust economic growth is likely to continue at a brisk pace, agency officials said.

The report said brisk personal consumption and corporate capital investment will continue to fuel economic growth, the officials said.

Brisk domestic demand has apparently weathered the recent slump in financial and capital markets and rising interest rates, they said.

Japan's economy entered its

43rd straight month of uninterrupted expansion in June, the second postwar record after the 57-month span from November 1965 to July 1970.

The officials said there have been no signals that active personal spending began to slow in the wake of the slump in the stock and bond markets and the decline in the value of the Japanese yen.

Corporate sales and earnings continued to grow and substantial wage hikes in the spring appeared to have caused little impact on the domestic economy, the officials said.

They said Japan's labour shortage remains acute and inflationary pressures are creeping up.

The bank of Japan, however, said domestic prices remain stable both on the wholesale and retail levels although price movements have to be carefully watched.

In April, the two sides produced an interim SII report in which Japan pledged to reform its distribution system and take other market-opening measures, and the United States promised to cut its budget deficit and attack its low savings and investment rates to rebuild its competitiveness.

The talks were supposed to finish today, but they will continue for at least one extra day, and possibly longer, as the two sides try to hammer out terms for a final report in time for a multinational summit meeting next month in Houston, the official said.

He expressed some doubt about whether negotiations would end in time for the report to be produced by the summit's opening on July 9. But he characterised the talks, which were to resume to night, as good exchanges in which progress was being made.

Today's discussions largely concerned America's efforts to strengthen its competitiveness, he said.

"We focused on the actions which the US government has taken to continue to reduce the budget deficit of the United States, which is our part of the SII process," the official said.

The US side tried to impress upon Japan the Bush administration's effort to gain a bipartisan consensus on the budget deficit issue, he said.

"We describe how the intention of the administration is to extend the Gramm-Rudman-Hollings act beyond 1993, after which we would reduce outstanding government debt by the amount equal to the social security surplus," he said.

The act contemplates a balanced budget by 1993, but the United States will now aim at a budget surplus in succeeding years, he said.

US anti-trust and product liability laws also figured in the discussions, he said, along with deregulation of US export controls.

World-wide cellular phone system

Motorola announces

NEW YORK, June 26, (AP) — Motorola Inc. plans to build a satellite-based cellular phone system that would connect users with telephones anywhere in the world.

The system called Iridium, envisions a network of 77 satellites that would receive calls from hand-held telephones resembling today's cellular phones.

The new system would include rural areas or international points that are frequently out of range of conventional cellular services. Motorola, which planned to announce the system today, expects full service to be available as soon as 1996.

The satellites would pass the calls around the globe to the intended recipients. If the recipients have an Iridium phone, they would call directly; otherwise, the calls would connect with a conventional, land-based phone system to be completed. The system also could reach a user on a traditional land-based cellular system.

"What we have done is put together a concept that allows, for the first time, personal communications to occur anywhere in the world," said Durrell Hillis, a Motorola vice-president who heads the effort.

Iridium would cost an estimated \$2 billion, which would be shared by Motorola and four or five partners, Hillis said. The partners have not been chosen.

Hillis said Motorola knows of no other similar system in the works.

The Iridium system, under development since late 1987, could be used to supplement conventional land-based phones

in nations where that service is poor or lacking capacity, such as in Eastern Europe, Hillis said.

Iridium — named after the 77th element on the Periodic Table — would not have the capacity to replace conventional cellular phone systems in urban areas, he said.

Motorola, said it has signed agreements with three satellite operators to explore constructing the system: American Mobile Satellite Corp. of Washington, DC, International Maritime Satellite Organisation of London, and Telesat Mobile Inc. of Canada.

Hillis said these three groups may become partners and part owners of Iridium.

Motorola also said it is negotiating with

other potential partners, including Great Britain's Principal Phone Company, British Telecommunications PLC, and organisations in Australia, Hong Kong and Japan.

Iridium would require approval from various governments to operate the satellites, Hillis said. However, the three satellite organisations that have signed agreements to explore the plan already have such authority, he said.

The satellites would operate like a cellular phone network in the sky, passing calls from one to the other as do the transmission towers located in each "cell" of a ground-based cellular phone network.

The satellites would be located 413 nautical miles above the earth, considered a low orbit for satellites.

An average 0.4 pc in May EEC inflation rises

LUXEMBOURG, June 26, (Reuters) — Consumer prices in the European Economic Community rose an average 0.4 per cent last month from April, Eurostat, the EEC's statistics office, said yesterday.

Year-on-year inflation in the 12-nation group held steady at a provisional 5.4 per cent in May despite the increase.

Price rises were small in most member states but Denmark, Britain, Greece and Portugal experienced increases above the average for the bloc.

The highest jump, three per cent from April to May, was in Greece, where annual inflation rose to 21 per cent — the highest in the community — from 17.9 per cent a month earlier.

The following table shows year-on-year inflation rates for member states in May, expressed in percentage terms, with inflation movements between April and May in brackets:

Country	May	April-May
Belgium	3.1	(0.0)
Denmark	2.4P	(0.7)P
West Germany	2.3	(0.2)
Greece	21.0	(3.0)
Spain	6.8	(0.0)
France	3.0P	(0.2)P
Ireland	6.0P	(-0.3)P
Italy	3.4	(0.2)
Luxembourg	2.2	(0.1)
Netherlands	14.0	(1.1)
Portugal	9.7	(0.9)
Britain	17.9	(0.9)

(P indicates provisional)

German debt to reach \$1 trillion

FRANKFURT, West Germany, June 26, (AP) — Unification of the two German states is expected to drive the combined overall debt of a united Germany to over 1 trillion marks (\$606 billion), the West German Bundesbank said yesterday.

According to a report by the Central Bank, budgeting for unification and other public expenditures in a merged Germany for 1991 will require new borrowing of about 100 billion marks (\$60.6 billion), almost four times as much as in 1989.

Total national debt, which at the end of 1989 was 920 billion marks (\$557.6 billion) will then "exceed 1 trillion marks (\$606 billion)," the Bundesbank said in its monthly report for June.

The report said that with only a 4 per cent increase in expenditures and a 9.5 per cent increase in income from taxes, new debt in 1989 was kept at 26.2 billion marks (\$15.9 billion), about a quarter of that expected in 1991.

Total new debt of 80 billion marks (\$48.5 billion) was expected for 1990, including the credit requirements of East Germany in setting up economic union effective July 1, the report said.

Interest paid on the year-end 1989 total national debt was 19 billion marks (\$11.5 billion).

Effective July 1, the West German Central Bank takes over control of all money policy in East Germany, as the two countries rush toward full unity, which is expected by the end of the year.

As the economic and social union draws nearer, East Germans have been lining up at state banks to open accounts with their savings.

Depending on their age, their personal savings accounts up to 2,000 marks (\$1,200), 4,000 marks (\$2,400) or 6,000 marks (\$3,600) will be exchanged for West German marks at a rate of one to one. The remainder of the savings will be exchanged at two to one.

The exchanged money will not automatically be paid in cash, but a receipt — or bon — worth the amount of the newly opened accounts will be provided each account holder for withdrawal of cash within the first week of economic union, the newspaper Sueddeutsche Zeitung wrote.

Kress said so far "only about one-third" of East Germans opening accounts had asked for the quick cash receipts, with the majority opting for investment programmes offered by the banks.



Thrifty or Mars trip US ponders

WASHINGTON, June 26, (Reuters) — President George Bush has come in for criticism for plans to send a manned spacecraft to Mars faster and cheaper than US savings and loans institutions can be bailed out of a multi-billion dollar crisis.

Savings and loans, once modest local thrift and home loan institutions, grew fat during the deregulatory, debt-driven Reagan years. Now the American taxpayer is footing the bill for bankers' bad judgement and largesse.

Congressional critics say Bush must have been daydreaming to think the United States could afford \$400 billion to plant the American flag on Mars.

When those astronauts step out onto the red planet in the next century, back on earth their fellow taxpayers will be paying a bill of between \$200 billion and \$1,000 billion for the savings and loans fiasco.

They will be paying for gluttonous international gormandizing, miniature swimming pools for pets, and million-dollar parties where lion and antelope were on the menu. Not to mention just plain bad lending practices.

"You can't go to Mars on a credit card," House Budget Committee chairman Leon Panetta, a California Democrat, said last year as he chastised Bush for making such expensive plans when the government is hemorrhaging red ink.

Washington plans to pay for bail-out savings and loans with two-year bonds, saddling two generations of taxpayers.

It could cost \$2,000 per person if the final bill, with interest, balloons

to \$500 as expected by comptroller general Charles Bowsher.

Treasury Secretary Nicholas Brady estimates the bill at \$130 billion, only \$600 per American taxpayer.

There were 2,878 savings and loans operating at the end of 1989 more than 300 were taken over by the government. The congressional budget office has estimated that as many as 1,000 savings and loans might eventually be closed.

"For just about any kind of fraud you can think of we can find you an example of it," said William Seidman, chairman of the Resolution Trust Corp., the agency overseeing the sale of assets of the failed thrifts including 36,000 properties and \$3.6 billion worth of high-risk junk bonds.

Washington also gives back deposits up to \$100,000 of their money otherwise lost in the savings and loans.

Seidman estimated serious criminal fraud occurred in about 60 per cent of the thrifts the government has seized.

Dixon, indicated last week for first time one of the high-fliers who took advantage of savings and loans to get rich quick. He left behind legends of wild spending and a financial collapse at Vernon Savings and Loan in Texas.

Dixon allegedly used savings and loan money to buy aircraft, a huge yacht, rent a beach house and more. His wife Dana dubbed their two-week European tour "gastronomic fantasia" because they dined in seven three-star European restaurants.

Seek work in the West

Eastern Europeans

VIENNA, June 26, (Reuters) — Eastern Europeans are taking advantage of their newly-won freedom of travel to head westwards looking for work — and often find they are less than welcome.

Free market policies introduced by the governments that succeeded overthrown communist regimes are throwing thousands out of work and many are seeking to migrate to the prosperous countries of Western Europe to improve their lot.

Poles, whose Solidarity-led government has opted for radical measures in the switch to capitalism, have for some years used their right to passports to seek work in the West.

Most other former East Bloc states granted their citizens the right to work abroad in 1989, prompting Hungarian cynics to observe that unemployment, long a taboo under socialism, had suddenly become an exportable commodity.

Most of the would-be migrants come from the poorer states of Eastern Europe — Poland, Romania and Bulgaria.

Thousands of Romanians, bequeathed a legacy of grinding poverty by executed dictator Nicolae Ceausescu and faced with political uncertainty, have left their homeland in search of prosperity.

Bulgaria is running the risk of a "brain drain". Some 40,000 young people with university qualifications, unable to find work at home, have emigrated so far this year.

Only 12,000 Poles have legal employment in the 12-nation European Community, but thousands work in the "black economy" in West Germany and Austria, often in the catering and construction industries.

The shock treatment being meted to the Polish economy after 40 years of communism has led to more than 500,000 jobless in May. The Labour Ministry says that figure could triple to nearly 10 million by the work force by the end of the year.

Prime Minister Tadeusz Mazowiecki told the International Labour Organisation (ILO) in Geneva this month that he wanted the West to give Poles greater access to their job markets.

He noted that when ordering a glass of beer in a nearby cafe he had been served by a Spaniard, and commented: "I don't see why I couldn't have been served by a Pole."

Some Western countries have imposed visa controls to stem a flow of Romanian job-hunters.

Some 6,000 people, most of them Romanians, applied for political asylum in Austria in the first 10 weeks of this year, prompting fears among many Austrians that the would-be migrants would take jobs by working illegally for cheap wages.

Residents of one village outside Vienna staged street protests to prevent the authorities housing several hundred Romanian migrants near them. The locals won.

The government imposed visa requirements on Romanians and Bulgarians, reversing an open-door policy towards Eastern Europeans.

Opinion polls show nearly two-thirds of Austrians favour tighter immigration controls. Some politicians have called for the reintroduction of visas for Poles in a country where an estimated 50,000 foreigners, mostly Eastern Europeans, are working illegally.

Several thousand Romanians and a few Bulgarians have even sought refuge in East Germany, which has lost half a million citizens to prosperous West Germany in the last year.

Most of them wanted to enter West Germany, but lacked the necessary papers, presenting East Berlin with a refugee problem it had not known before the Iron Curtain lifted.

East Germany now insists that visiting Romanians must prove they are tourists or have written invitations from East German hosts but is allowing those already in the country to stay, housing them in former military barracks and school gymnasiums.

Incidents of hostility to migrants have been reported in both Germany, and one Bonn minister suggested in February that poor countries be paid to take back their economic refugees.

West Germany and Austria have now changed their laws granting political asylum to exclude economic refugees. Both states say these people are not fleeing from political persecution but merely seeking a better life in the West.

Switzerland, which also employs a large number of "guest workers," says it is not changing existing restrictive policies to allow entry to large numbers of Eastern European migrants.

"The opening of the East's borders has not altered our immigration policy and we will continue to observe a fairly rigorous attitude," a Swiss Foreign Ministry spokesman said.

Human rights groups say they fear Western European states and the European Community will try to exclude economic migrants from their Eastern neighbours.

Business News Briefs

IATA opposes charge: An organisation representing the world's main airlines said on Monday it was concerned at a West German plan to levy a security charge of 3.50 Deutschmarks (two dollars) on embarking airline passengers.

"We firmly believe that the cost of maintaining security at airports, like anywhere else in a country, should be borne by the state in question," Guenter Eser, the director general of the International Air Travel Association (IATA) said.

Eser said in a press release that IATA was also unhappy about governments using airlines as collecting agencies for the charge.

In the old days, he knew, passengers paid airport taxes separately and knew what they were paying for and to whom. (Reuters)

Chase restructuring: The second-biggest US banking company, Chase Manhattan Corp., is planning a restructuring aimed at cutting costs by \$300 million and improving profits, bank officials said on Monday.

"It is imperative that our overall performance improve in the months ahead. This is a dual challenge," the company said in a memorandum to top employees, a copy of which was made available to Reuters.

The memo said the moves are aimed at reducing costs by \$300 million in the near-term while boosting revenues. (Reuters)

Congress approves bill: Congress approved and sent to President George Bush new Amtrak legislation devoid of the railroad anti-takeover provision that drew a veto.

The bill was approved by a voice vote first in the House of Representatives and then in the Senate.

The legislation caps federal subsidies for the government-owned passenger railroad at \$684 million in the fiscal year beginning Oct 1 and at \$712 million in fiscal 1992.

In vetoing an earlier version, Bush said he accepted the spending figures but objected to a plan which

would have required interstate commerce Commission approval of railroad takeovers by non-railroad companies. (AP)

Donations overseas: Japanese companies can claim deductions from their taxes at home for donations overseas, the Ministry of International Trade and Industry said Monday.

The new regulation, effective Monday, was adopted to encourage Japanese companies to contribute more to overseas projects and activities, said a ministry official, speaking on condition of anonymity.

The donations must be made through the Council for Good Corporate Citizenship, authorised by the ministry Monday as a special public interest promotion corporation, the official said. (AP)

Axe on 2,260 jobs: Michelin, the world's leading tyre manufacturer, said on Monday that it was laying off more than 10 per cent of the workforce at its main plant in central France as a result of falling car and truck production.

The proposed cut of 2,260 jobs at Clermont-Ferrand, the home town of the family-controlled company, follows an announcement last week by another major manufacturer, Goodyear Tyre of the United States, that it was laying off 1,100 employees.

"The present uncertain outlook for the world tyre market... has led the group's management to take the necessary steps rapidly to limit the effects of the situation on the company's progress," Michelin said in a statement. (Reuters)

Mitsubishi to boost sales: Mitsubishi Motors Corp., said Tuesday it will boost its car sales in Europe next year with shipment of its top-of-the-line passenger models manufactured in the United States and Japan — a move likely to intensify competition between Japanese automakers in Europe.

"We are still studying the possibility of setting up a production base in Europe," a spokesman for the Tokyo-based automaker said. "No decision has been made yet."

Kenya launches new plan to reverse declining foreign investments

NAIROBI, June 26, (Reuters) — Kenya, seeking to reduce its dependence on tourist dollars and catch the eye of investors dazzled by Eastern Europe, has launched a new plan to reverse a decade of declining foreign investment.

The East African nation with the most attractive business climate in the region is offering a package of measures, including long tax breaks and access to duty-free raw materials, which might offset some investors' concern about the country's one-party political system.

Finance Minister and Vice-President George Saitoti announced 10 days ago that Kenya was joining the ranks of African states with special Export Processing Zones (EPZs). The scheme has proven successful in the Indian Ocean islands of

Mauritius and is being tried by Togo and Cameroon in West Africa.

Kenyan EPZ investors will be able to write off certain investment costs, enjoy a 10-year tax holiday, and have access to duty-free inputs.

"A more rapid and more diversified export expansion during the coming years will ensure sustained growth in output and incomes," Saitoti said in his 1990-91 budget speech.

Local businessmen welcome the new incentives which they say will reverse declining foreign investment in the country since 1980. The plan will also please the International Monetary Fund and World Bank which have been promoting trade liberalisation.

"Kenya has to become more attractive than before, not only because prices of its main exports, coffee and tea are falling, but also as investors are more likely to take their investments to Eastern Europe," one local businessman said.

Saitoti said increased revenue from export-oriented industries would provide funds needed to revamp an economy, over-dependent on agriculture and tourism — the number one foreign exchange earner.

Coffee export earnings fell to an estimated \$226 million in 1989 from \$300 million the previous year. Prospects for 1990 remain poor.

Tea exports performed better, bringing in \$227 million, up from \$219 million in 1988, but this year's

earnings are expected to slide again due to weak global demand.

Economists and businessmen say Kenya cannot rely for long on tourism to propel the economy to the end of the century.

"Unlike industry, tourism and agriculture are liable to too frequent fluctuations," said John Kuria, executive director of the private sector's Kenya Association of Manufacturers.

Kenya in the past relied on its political stability, sound economic policies, efficient communications and constitutional guarantees on foreign investment, to lure investors.

"But these factors are insufficient. That is why we have not had an investment boom here," an industrialist said.

Nikkei stock average: 31571.77					
(+447.58)					
Volume: 400 mil shs					
Yen exchange rate: 155.33					
Name of stock	Ch	Ch	Name of stock	Ch	Ch
Advantech Corp	6070	+70	Mitsubishi Estate	1430	+30
Ajinomoto	2060	+30	Mitsubishi H I	1500	+10
Alps Electric	2370	+80	Mitsui R E	1000	+10
Asahi Chem Ind	1680	+20	Mizuho Corp	3710	+50
Asahi Glass	890	+20	Mori Seiki Co	1710	+50
C. Itoh Co	1760	+10	NEC Corp	1900	+10
Casio Inc	805	+13	Nippon Chem	1680	+40
Casio Corp	1800	+30	Nippon Steel Corp	1090	+30
Daikin Corp	1850	+10	Nippon Steel Ind	2260	+14
Daiichi Sanyaku	2440	+10	Nippon Steel Ind	1090	+30
Daimippon Ph	3090	+90	Nippon Steel Ind	2260	+14
Daihanku Corp	1950	+90	Nippon Steel Ind	1090	+30
Fanuc Ltd	1820	+30	Nippon Steel Ind	2260	+14
Fuji Photo	4390	+110	Nippon Steel Ind	1090	+30
Fujitsu Ltd	1390	+10	Nippon Steel Ind	2260	+14
Hitachi Credit	1620	+20	Nippon Steel Ind	1090	+30
Hitachi Koki	2260	+20	Nippon Steel Ind	2260	+14
Hitachi Ltd	1590	+30	Nippon Steel Ind	1090	+30
Hitachi Metal	1620	+20	Nippon Steel Ind	2260	+14
Honda Motor	1780	+60	Nippon Steel Ind	1090	+30
Ito Yokado Co	3960	+170	Nippon Steel Ind	2260	+14
Kajima Corp	1900	+40	Nippon Steel Ind	1090	+30
Kawasaki H I	867	+7	Nippon Steel Ind	2260	+14
Kobe Cast Iron	1710	+10	Nippon Steel Ind	1090	+30
Kokusai Elec	7190	+230	Nippon Steel Ind	2260	+14
Komatsu Ltd	1100	+30	Nippon Steel Ind	1090	+30
Kyocera Corp	8330	+160	Nippon Steel Ind	2260	+14
Matsushita Ind	2020	+0	Nippon Steel Ind	1090	+30
Matsushita Ind	2730	+130	Nippon Steel Ind	2260	+14
Mazda M C	2060	+10	Nippon Steel Ind	1090	+30

Czech film comes to Europe 25 years later

Controversial movie becomes talk of town in Berlin

By David Sterritt

NEW YORK, (CSM): The most noteworthy single film at this year's Berlin Film Festival might well have been a dark comedy with the unlikely title of *Larks on a String*, made in Czechoslovakia back in 1969.

Its importance lies partly in the fact that it won the festival's top prize, sharing this honour with "Music Box," an American political drama. When I was at the festival in February, *Larks on a String* was eagerly talked about for days before the awards were announced, because of its qualities as a film, and also because of the time and country that gave it to us.

Completed 21 years ago, it came to Berlin as a sort of time machine, reminding the movie world how the heavy hand of Eastern European censorship relaxed a bit from 1967 to 1970, only to regain its rigid grip. Now the hand has loosened again, and forbidden movies from the past are rushing to the surface once more.

Examples that came to Berlin from Czechoslovakia alone included Dusan Klein's capably filmed satire *Dear Friends, Well ...* and two documentaries: *The Elective Affinities*, filmed during the Prague Spring in 1968, and *Tender Revolution*, about the 1989 student demonstrations that sparked massive change in the Czech political system. New short films and children's movies were also in the festival's Czech lineup, and other Czech features (including a new Jiri Menzel comedy based on a 1930s novel)

were screened in the "film market" for distributors. *Larks on a String* found the most favour of them all, with its quirky story of men and women finding romance while dwelling in — of all unromantic places — a pair of adjoining prison camps. It will certainly find its way to Western screens before long.

American moviegoers have already experienced the fruits of the late '60s as they blossomed in the Soviet Union itself. One early indication that Mikhail Gorbachev might be a different kind of

Soviet leader came when he personally authorised the release of *Repentance*, a ferocious political satire made by Georgian director Tengiz Abuladze during the brief respite of censorship 20 years earlier. Soon after Gorbachev gave it an enthusiastic nod of approval, the movie was playing in Moscow, and then in United States theatres.

It proved to be a challenging and peculiar film, about a dictator who combines traits of Stalin, Hitler, and Mussolini — and whose corpse refuses to stay buried, thanks to a woman who (reversing Antigone's role) repeatedly digs him up to remind the world of his crimes. Nobody wondered that it had been banned immediately after completion and had to await Gorbachev's arrival to make its way into theatres.

Other banned movies followed, including the one most widely seen on American screens: "Commissar," a subtly filmed drama about a hard-as-nails female army officer who becomes illicitly pregnant and is

sent to live with a family of Jewish peasants.

Larks on a String bears witness to the fact that censorship relaxed not only in the USSR during the late '60s, but elsewhere as well. It's also a key link in the career of director Jiri Menzel, who makes an interesting case study in how a filmmaker's work can develop under varying political control and coercion.

Menzel is one of Czechoslovakia's most respected

directors. He worked on new-reels and short films in Prague at the beginning of his career. He directed his first feature in 1965, and a year later earned international acclaim with a bittersweet film called *Closely Watched Trains*, about an apprentice railroad worker who finds friendship, romance, and death during the German occupation of his country. Among other honours, it won an Oscar for best foreign-language picture in the US, and established Menzel as a major film artist.

Paralysed

'I'll make it'

FROM the moment doctors told attractive Joanne Hulls that her handsome, sports-loving fiancé Matthew Colliard would never walk again, she became even more determined to be his wife. And the mother of his children.

The couple, still stunned by the swimming accident that paralysed 22-year-old Matthew, even decided they would bring the date of their wedding forward. And, when Matthew is well enough, they will set up home together to sort out any problems his disability might bring, before they take that trip up the aisle.

Brunette, lively Joanne rarely leaves Matthew's bedside in the hospital where he is being treated for his terrible injuries. He broke his back in the pool, and crushed his spinal cord four months ago. He was diving while the couple were on a working holiday in Australia.

Matthew is paralysed from the shoulders down and will spend the rest of his life in a wheelchair. But 23-year-old Joanne plans to be a loving wife and mother.

At Stoke Mandeville Hospital, Aylesbury, Buckinghamshire, which specialises in spinal injuries, Joanne held Matthew's hand and told me: "Matthew and I have been engaged for five years, which is a long time. So a thing like this is a setback but no reason to call off the wedding. We're together through this, all the way."

"It would seem incredible to me if I changed my mind just because Matthew's in a wheelchair. He's still the same person I fell for and wanted to stay with forever, so why should I suddenly react as if he's a stranger?"

"As for the date of the Big Day, we were going to come back from Australia and start saving for it. Now, I think we'll hurry things along because our minds are much more sharply focused on the future."

"I'm totally convinced we'll be able to manage. The main problem is re-adjusting all our expectations. We have to accept that things will be different from what we expected. But that's all."

"There's no point in being negative and saying, 'This is terrible, this is awful,' because it isn't either of those things. We're still there for each other and that is more important than anything else."

Joanne knows Matthew has a long fight on his hands. She has been nursing and accompanying him since the accident. And now he faces at least six months of specialised care before he can go home.

But Joanne, a receptionist from Eastbourne, Sussex, is already planning their future together.

She said: "When Matthew is discharged, we plan to get a place and to adjust to any practical problems there might be. When we've seen how well we cope, we'll make a permanent home."

"I'm realistic enough to know it won't be easy. After all, we'll have the normal strains of living together, plus extra ones caused by Matthew's disability. There may be things we probably haven't even thought of yet. That's something we'll have to face. I think we're close enough and strong enough to manage."

Matthew added: "We don't see my disability as a major problem and, because that's our attitude, other people tend to agree. After all, we know the difficulties involved better than anyone else."

Both Joanne and Matthew spent long hours discussing having children, after the full extent of his injuries was pointed out to them.

"You bet your life Joanne and I went into this subject," said Matthew with a smile. "We really want kids — and there's a good chance we could have them."

Joanne told me: "It was something we were

worried about and we did think about it very hard. I've been told it's quite possible for us to raise a family, with some help from science, and we'd certainly like to try."

Before his accident, Matthew, who worked for a printing firm in Eastbourne, was a keen sportsman. So being confined to a wheelchair has been doubly hard for him to bear.

He now has only limited movement in his shoulders and his right thumb and forefinger. The good news is that, with patient physiotherapy, Matthew can regain enough power in his arm to operate a computer and his own wheelchair.

This will give Matthew vital independence of movement and will enable him to have a career. But that is still a long way down a long and hard road.

At the moment, Matthew is recovering from an operation where doctors inserted wires through the damaged vertebrae — spinal bones — to help strengthen his back. He is wearing a temporary neck brace to support his head while his muscles heal.

Matthew's quiet courage and wry sense of humour hide any emotional wounds the accident may have left. He told me: "In some ways, I think I'm still in shock. I know that I'm paralysed, but it will probably take ages for the fact really to sink in. I'm still discovering all the things I can't do."

"It's very hard suddenly to see myself as an invalid when I'm used to being active and independent. I was a pretty good tennis and snooker player and I'd just taken up golf. I miss those things a hell of a lot."

"But what can I do? I have to concentrate on getting back what strength and movement I can in my upper body. Jo's been a tremendous help that way. Without her, I really wouldn't have felt like trying sometimes."

"She wasn't there when the accident happened. But she's been with me more or less constantly since. She's even been renting a place in Stoke Mandeville to be close to the hospital. I'm dreading the time when she starts work again, because we'll see each other only at weekends."

"I remember how much I needed her when I first heard what was wrong with me."

Speaking with the soft Australian accent he picked up in Melbourne, Matthew went back over the day of his accident.

"I'd just finished a really hard morning of fruit-picking with my mates and we were all boiling hot," he said. "We decided to go for a swim in the river. I was the second one to dive in."

"I slammed into something hard just under the surface of the water. I think it was a log. And I suddenly lost control."

"When I tried to come up for air, my body just wouldn't work. My mates pulled me out just in time and got me on to the bank. It was pretty terrifying. I remember lying there, not able to feel a thing below my shoulders, and just thinking, 'Oh God...'"

"I was very scared. I think I realised even then that it was bad. But it wasn't until a helicopter flew me to Melbourne, where a doctor broke the news, that I was 100 per cent certain."

"That was just... devastating. It was a lot to try to take in. Obviously, now I've had more time to work things out, there are different sort of problems, like money."

With the cost of a new wheelchair alone at around £2,000, Matthew and Joanne will be faced with sky-high bills when they set up home together.

Donations can be sent to the Matthew Collier Trust Fund, Price and Company, 32, Gilbridge Road, Eastbourne.



Matthew and Joanne plan to marry as soon as they can. We're together all the way on this," she says.

Rodin's castle

Obscure museum

By Mary Ellen Scofield

MARYHILL, Washington, (UPI): Motorists speeding along interstate 84 through a barren stretch of Eastern Oregon often do double takes when they see what appears to be a French castle sitting on a bluff in the middle of nowhere.

The Flemish-style turreted building stands high above the Washington side of the Columbia river and blends in with the dusty hue of the canyon and the dry grasses blowing in the breeze.

Curiosity prompts about 75,000 people a year to stop for a better look. What they find is the Maryhill Museum of Art — home to a rare collection of work by the French sculptor Auguste Rodin, mixed in with a vast display of early photos of the northwest, American Indian artifacts and other treasures.

"Who would expect Rodin out in the middle of nowhere?" said museum spokesman Bill Lamarche.

Besides the Rodin pieces — 34 sculptures, 20 plaster studies of hands and feet, and 23 watercolours — there is a collection of more than 200 chess sets from around the world, furniture that belonged to Romania's royalty, and Russian icons. The combined effect is to give Maryhill the knick-knack air of a tiny small-town museum.

But when one learns about Seattle philanthropist Samuel Hill who built the museum, the pieces fall into place.

"Our collection appears to be eclectic, but if you know the history of Maryhill, it makes a lot of sense," says Linda Brady Mountain, Maryhill's director.

The story begins with the terrain.

West of Maryhill is the Columbia gorge national scenic area, where layers of greenery cover even the rocky cliffs above the rich forestland. Then suddenly the trees taper off, leaving acres of grain and eventually desert, interrupted only by the occasional deep canyon.

Hill noted the contrast back in 1906 and bought 7,000 acres (2,809 hectares) of land thinking he could establish a farming utopia where the rains of the Cascade mountains meet the sun of the high desert of Central Oregon and Washington, 100 miles (160 km) east of Portland.

The Quaker did not want his only daughter Mary to feel out of place in her new home in the wilderness, so after he built a post office, a hotel and a meeting house, he named his town Maryhill.

In 1914, Hill finished the outer shell of his 26-room "ranch house," where his family would live. A car and road enthusiast, Hill built ramps on either end of the house so that cars could drive up and through the living room reception area and out the other side. The ramps aside, the house was a replica of his mansion in Seattle.

Hill himself became engrossed with the museum before his death in 1931. He set up an endowment for the project, and put his collection of Indian artifacts in the museum's storerooms, as well as hundreds of photos of the northwest he commissioned in his lifetime.

"The funny thing is," says Maryhill's development officer Ross Randall gazing at the nearby farms, "Sam Hill's dream is now coming true. He just isn't alive to see it."

Stockholm museum displays Vasa

17th century warship at a glance

By Randall Mikkelsen

STOCKHOLM, (Reuters): The restored warship Vasa, built as the pride of Sweden's navy only to sink on its maiden voyage in 1628, went on permanent display in a dramatic new museum that recently opened.

Gracing the waterfront of Stockholm's pastoral island Djurgården, the museum shows the ornate Vasa in the context of 17th-century Sweden and also tell the story of the ship's recovery and preservation.

"Vasa is unique in having a 17th-century history and a 20th-century history,

and nothing in between," Deputy Museum Director Klas Helmersson said during a museum preview.

Since 1961, when it was pulled from the cold waters of Stockholm's harbour in a remarkably well-preserved state and put on display in cramped temporary quarters, the Vasa has become Sweden's top tourist attraction, drawing about 550,000 people annually.

In the air new museum the public will be able for the first time to see the entire ship at a glance — from the leaping lion at the bow of the ornate stern sculpted with warriors, angels, devils and the Swedish

national emblem with its lions rampant.

The ship is set beside a mock quay paved with cobblestones in the main exhibition hall, where the light is kept dim and the air cool to minimise deterioration.

At its launch, the 69-metre (230-foot) ship was painted in dazzling colours and trimmed in gold leaf. But now the stout oak planks are dark and weathered, glistening with a preservative with which the ship has been treated since its recovery.

Museum visitors will be able to view the ship from seven different levels, and wander through nine exhibits — once the last five are complete — with the Vasa looming

in the background.

The four exhibits which are finished so far include stylised depictions of Sweden in 1628 and the lives of the three master sculptors who gave the ship its spectacular decoration, a history of the salvage efforts, and a recreation of the Vasa's interior.

The museum has taken some effort to explain why the ship sank.

A slide show and an intricate computer simulation game lets museum visitors toy with the design and outfitting of the ship then launch it to see whether it will sink or sail.

Caught in the storm

From Hanoi to Berlin

By Tom Porteous

BERLIN, (WNL): When Le Hoang Anh (not her real name) left Hanoi to study in East Berlin six years ago, she was glad to have the chance to get away from Vietnam and see a new world. She never expected to witness the collapse of communism in Eastern Europe, or experience the dramatic upheaval it created in her personal life.

Recent months have been exciting ones for the 25-year-old student of Marxist political economy and the tens of thousands of Vietnamese either working or studying in Eastern Europe. On November 9, Le was among the huge crowd of Berliners and other Germans who streamed through the Berlin Wall when it was suddenly opened to all. "At the time I wasn't sure whether to stay in West Berlin or to go back," says Le. "In the end I decided to go back to East Berlin and think about it. I had to consider my family back in Hanoi."

By January 27, an important feast day for the Vietnamese, Le had made up her

mind to leave. "I had written to my family, but had got no answer," she said. "Now I had to think about my own future."

This time it was more difficult to cross the Berlin Wall. The border police were again checking passports, and Le's did not allow her to leave East Germany. But gone were the days when people trying to cross the wall illegally were shot at by the ferociously well-trained border guards. Le made her way from her cramped student dormitory in East Berlin to the Brandenburg Gate, the famous symbol of German unity next to the Berlin Wall. She waited until there were no police patrols in sight, then slipped through one of the many holes that souvenir hunters have made in the wall since November. Within an hour she was celebrating with a group of friends and relatives in West Berlin. Today she is staying in a home for asylum seekers, waiting for the refugee papers that will allow her to apply to a university in the West or to obtain work.

Coming from Vietnam, Le is no stranger to political turbulence. The past months in

Berlin have been nothing compared to her childhood in Hanoi. Le remembers the American aerial bombardments when she attended grade school back home, and she remembers the painful family separations caused by the Vietnam war and the partition of her country.

Many years ago Le's father studied in China, returned to Vietnam a convinced communist and fought in Indochina's war of independence against the French. "But my mother's father was a big landowner, an enemy of the communists," she recalls. "In the next war, the Vietnam War, my uncle fought for the Saigon regime against the communists."

Le left Vietnam in 1983. The country had been at peace for close to a decade, but she was pleaded to have the chance to get away. "I hardly ever feel homesick," she admits. "I miss my family of course, but otherwise there is little about Hanoi that I miss. It is a very dry and dirty city, with lots of noise and dust."

Now Le has become quite the independent-minded young woman — very dif-

ferent, one suspects, from the wide-eyed 18-year-old who arrived in East Berlin to find that there was no one at the airport to meet her.

There followed six years of hard work, first learning German and then studying Marxist political economy — a subject she now criticizes with virulence, blaming the system for the collapse of the Vietnamese and East German economies.

"Marx's pure theory may seem logical enough," says Le reflectively. "But in practice it just doesn't work. It's wrong." Since she came to West Berlin, Le says, she has read a lot of books not available in the East. But her conclusions about Marxism also come from firsthand experience.

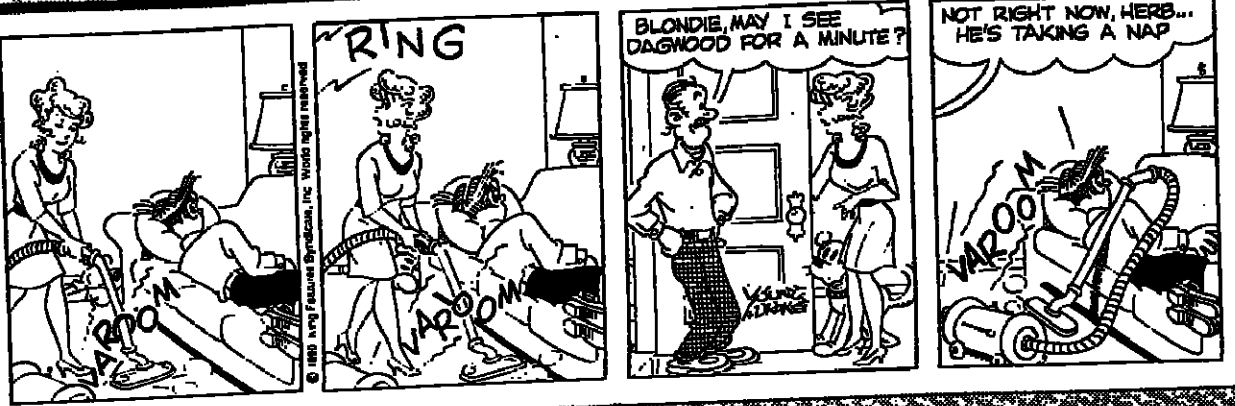
During the summer holidays Le and her fellow students worked in East German factories. Last summer she was pressing buttons and pulling levers on old machines in a metal-furniture factory. "Industry in the German Democratic Republic is very backward compared to here in the West," says with new-found wisdom.



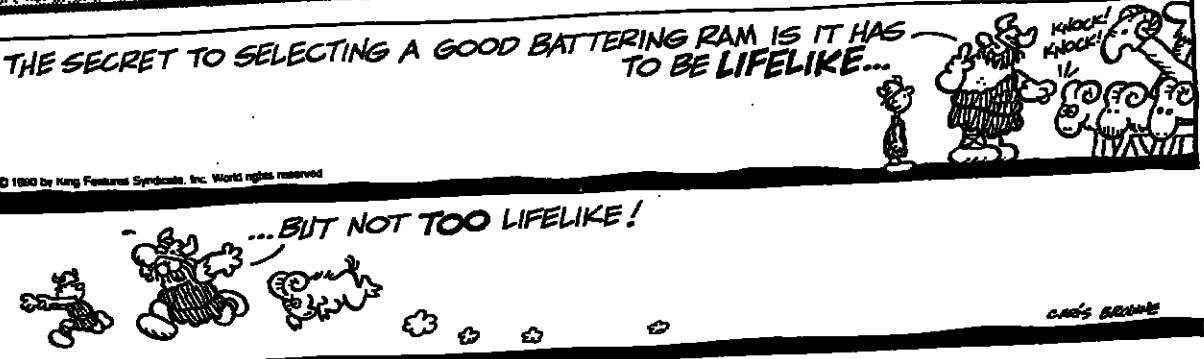
Le Hoang Anh: redirecting her life

LEISURE

BLONDIE



NAGAR THE HORRIBLE



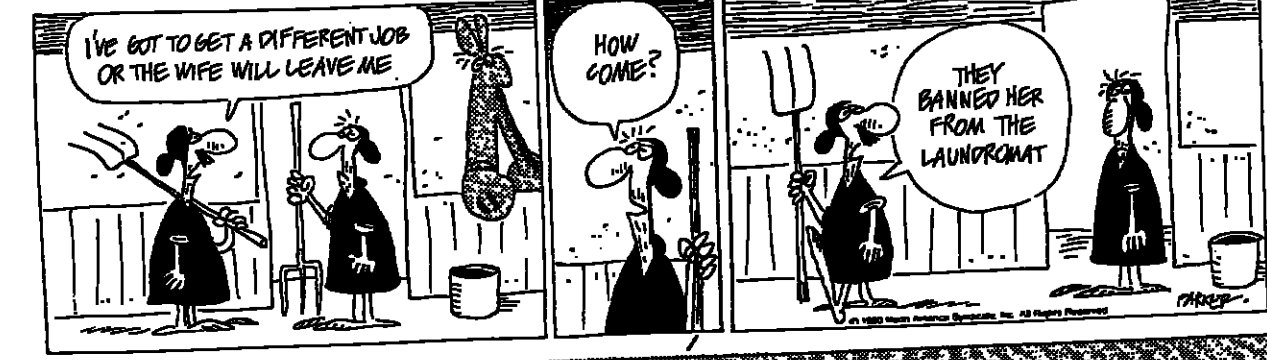
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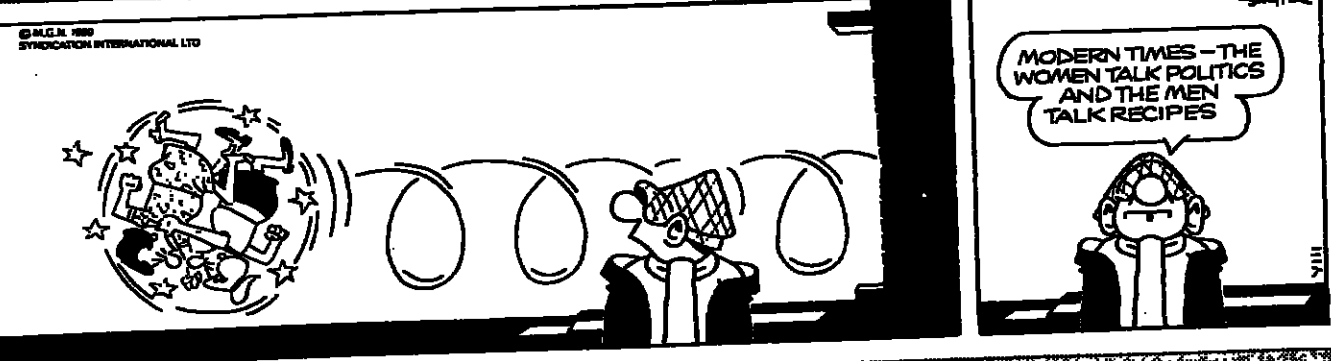
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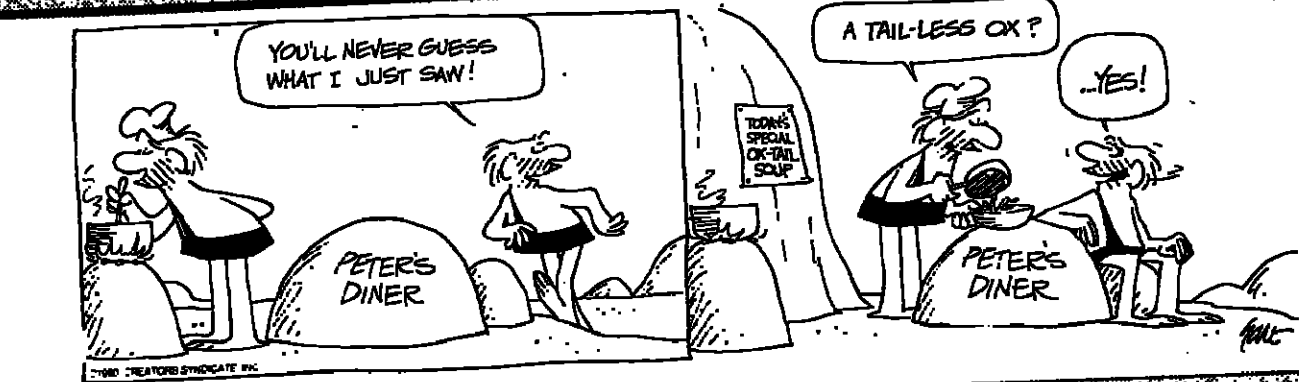
THE WIZARD OF ID



ANDY CAPP



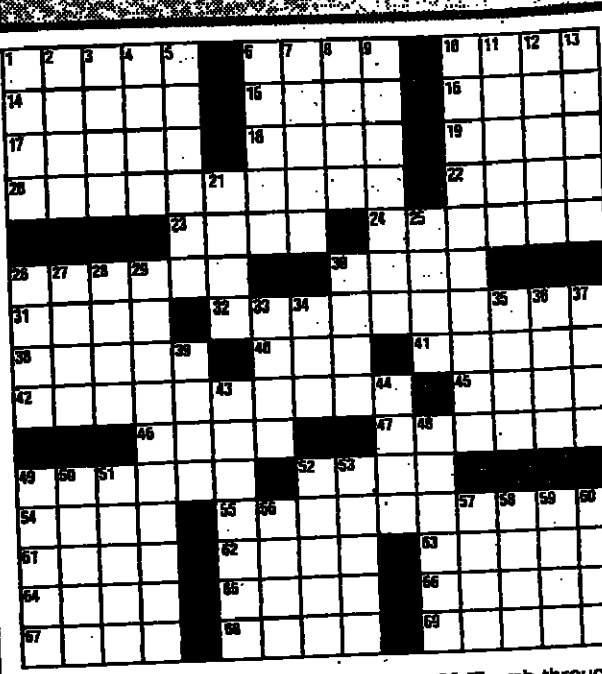
THE MAN



HE-MAN



TODAY'S CROSSWORD



- ACROSS**
- 1 Play for time
 - 6 Exeter elevator
 - 10 Nile snakes
 - 14 Small role for a big star
 - 15 River to the Baltic
 - 16 Actor Lugosi
 - 17 Sports palace
 - 18 Wolf lead-in
 - 19 Ellipsoidal
 - 20 Wealthy one
 - 22 Blowhole
 - 23 Mountbatten's title
 - 24 Score
 - 26 Mobs
 - 30 Salad serving
 - 31 Central African river
 - 32 Hopi Indian ceremony
 - 38 Misses the boat
 - 40 Before center or cycle
 - 41 Dauntless
 - 42 Playful
 - 45 If not
 - 46 Cease
 - 47 Transversely
 - 49 Motion pictures
 - 52 Pelion's companion
 - 54 Sandusky's lake
 - 55 Well-to-do
 - 61 Scottish dance
 - 62 Chigger
 - 63 Wear away
 - 64 Fairy-tale start
 - 65 Rapier's relative
 - 66 Poe subject
 - 67 Tennis ranking
 - 68 Scoot
 - 69 Alda and namesakes
- DOWN**
- 1 Con game
 - 2 The O'Hara's
 - 3 home
 - 3 Verity
 - 4 Mesh
 - 5 weave
 - 5 Idled
 - 6 Scowl
 - 7 Paragon
 - 8 Flowerless plant
 - 9 Bridge structure
 - 10 Financially secure
 - 11 Number against Thebes
 - 12 Decoy
 - 13 Piquant
 - 21 Bernstein opus
 - 25 Money rolls
 - 26 Shirt
 - 27 Bring up
 - 28 Potpourri
 - 29 On easy street
 - 30 Thumb through
 - 33 Cozy place
 - 34 Part of a G.I.'s address
 - 35 — contendere
 - 36 Swear
 - 37 Summers on the Seine
 - 39 "The King and I" locale
 - 43 Asserted
 - 44 Leisure
 - 48 Tourist's need
 - 49 Game fish
 - 50 Peace goddess
 - 51 Relative
 - 52 Weasel's relative
 - 53 Sail
 - 56 Basketry palm
 - 57 Vocal
 - 58 Bossa —
 - 59 Ideal place
 - 60 Cravings

ANSWER TO PREVIOUS PUZZLE:



GOREN BRIDGE

BY CHARLES GOREN AND OMAR SHARIF
A TIME FOR EVERYTHING

Both vulnerable. South deals.

NORTH
♠ 8 5 3
♥ 9 8 6
♦ A Q J 5
♣ A Q 10

WEST
♠ A K J 9 4
♥ A 4 3 2
♦ 6 4
♣ 9 5

EAST
♠ 7 6 2
♥ 5
♦ 9 8 7 2
♣ J 8 6 4 3

SOUTH
♠ Q 10
♥ K Q J 10 7
♦ K 10 3
♣ K 7 2

The bidding:
South West North East
1 ♥ Pass 1 NT Pass
2 ♣ Pass 4 ♥ Pass
Pass Pass

Opening lead: King of ♠.
We have often stressed that aces were made to capture kings, and that as a rule it is correct to win a trick when you can. While true in most cases, there are always exceptions to these generalities.

We have often stressed that aces were made to capture kings, and that as a rule it is correct to win a trick when you can. While true in most cases, there are always exceptions to these generalities.

heart support. South had no further ambitions. West's failure to overcall is surprising, but that's what happened at the table.

West cashed two spade tricks and continued the suit for declarer to ruff. South led the king of trumps and let's see what would have happened had West followed the sage advice we previously offered of heading the monarch with the ace.

If West perseveres with spades, declarer ruffs in dummy, draws trumps and claims the rest of the tricks for his contract. No other return does any damage, either.

Now let's see what happens if West, cagey fellow, holds up the ace of trumps and holds up again when declarer continues with the queen of hearts. Declarer can save a trick by abandoning trumps, but since West will surely ruff away one of declarer's minor-suit winners if he is left with his low trump, South probably will continue to draw trumps.

However, West can pounce on the third trump with the ace and. The auction needs some explanation. North-South were employing what the table's trump is an exception. North-South were employing what the table's trump is an exception. North-South were employing what the table's trump is an exception.



"You've got two choices:
Quit smoking and drinking,
or get a better-paying job."

YOUR STARS

Aries
March 21 - April 20

Your hopes will not be fulfilled just now, but you were probably aiming at too much. And if you expect a lot for a little you will be disappointed. Make sure you get all the rest you require. Be moderate.

Cancer
June 21 - July 20

You will be able to look ahead with confidence, but you must face facts rather than trying to ignore them. A tendency to say what you do not really mean should be curbed. And avoid making a promise you will find it hard to keep. Be benevolent.

Libra
Sept. 23 - Oct. 23

What you hear has the ring of truth about it, but you should beware of taking it for entirely true. At the same time there is no need for excessive disbelief. Do not take "food scares" too seriously, but do avoid eating any one food in excess. Be resourceful.

Capricorn
Jan. 21 - Jan. 19

You will tend to be annoyed rather more easily and should do your best to avoid the kind of situation you know will exasperate you. You will be tempted to spend more than you know you can afford, just don't. Allow yourself to be persuaded by logic. Be helpful.

Taurus
April 21 - May 20

There will be a tendency to exaggerate and to exceed limits and both should be curbed. Do not let your partner doubt your love and affection. Make sure you do not allow yourself to get into serious debt. Be responsive.

Leo
July 21 - Aug. 21

You should not rely on guesswork — if you are not sure do all you can to find out more and do not spurn advice. A suggestion that at first sight seems like a good one will open closer scrutiny turn out not to be.

Scorpio
Oct. 23 - Nov. 21

Something you learnt recently will prove to be extremely useful. You will also be able to learn a useful lesson from experience. Do not deny that you are getting older, but do not think you are too old to learn. Be bold.

Aquarius
Jan. 20 - Feb. 19

You will tend to tire more quickly so give priority to what has to be done. You will be able to settle a difference of opinion amicably. Your lucky numbers are 15 and 27. Keep your eyes and ears wide open. Be sensible.

Gemini
May 21 - June 20

You will be able to do what interests you greatly but you should not neglect what, though it is not so interesting, has to be done. You should have a little more faith in yourself. Be prompt.

Virgo
Aug. 23 - Sept. 22

You will tend to make a slow start but if you make an effort you will be able to catch up. Not everything will be to your liking, but you will be able to survive against the inevitable. Instead concentrate your energies on changing what can be changed. Be candid.

Sagittarius
Nov. 23 - Dec. 21

You are too liable to take things literally, but there is also no reason to doubt simply everything. You should do all you can to avoid getting into a violent argument. Take the best possible care of your health. Be magnanimous.

Pisces
Feb. 20 - March 20

You would do well not to take quite so much for granted. A good tip will help you to overcome a problem with a gadget of yours. Make sure you do not mistake what you would like to before what is. Be a little more optimistic.



"You can't have the soup of the day until yesterday's is all gone."



"Get 'em before they come in the house."

SPORTS

Schillaci and Serena score

Italy put their mark on Uruguay



Italy's Fernando de Napoli (right) leaps high to head the ball. Right: Serena collides with Alvarez (No. 1). (Reuter wirephotos)

Brazil blame Maradona for Cup loss

RIO DE JANEIRO, Brazil, June 26. (AP) The sports press yesterday blamed Maradona's luck, coach Sebastiao Lazaroni and even Diego Maradona for Brazil's 1-0 loss to Argentina, which eliminated the three-time champions from the World Cup.

"The art of Maradona buries the pragmatism of Lazaroni," read a headline in the newspaper Folha de Sao Paulo.

"Maradona sends Brazil home," Jornal dos Sports of Rio said in its headline.

"Maradona 1 x Brazil 0," said O Globo of Rio.

The traditional soccer rivalry between the two South American powers did not keep the sporting press from heaping praise on the Argentine star, who played despite an ankle injury.

"Once again, the dream of a fourth world title is shattered," wrote O Dia of Rio. "Brazil lost because on the other side was the greatest player in the world, Diego Armando Maradona."

"The Brazilian team dominated the game, left the Argentines dizzy creating innumerable dangerous situations, but was punished for an unpardonable error — it relaxed coverage of Maradona for a moment and allowed the Argentine star to make a single, mortal play," O Globo said.

Maradona had little impact for most of the game. But with nine minutes remaining, beat the defense down the side and crossed a perfect pass to Claudio Caniggia, who side-footed the ball for the only goal.

Critics blamed Lazaroni for trying to change Brazil's traditional offensive style of play in favour of a cautious, defensive system.

Maradona raps whistling, jeering crowds

TRIGORIA, Italy, June 26. (Reuter) Argentine captain Diego Maradona hit out yesterday at the "barbarian" soccer crowds who whistle during the Argentine national anthem and boo whenever he touches the ball.

Capacity crowds in Turin on Sunday for Argentina's second round match against Brazil, and in Milan for the defending champion's opening match against Cameroon, whistled derisively at the Argentine national anthem was played before the game.

"I let most things pass but not people whistling during a national anthem. Fans are becoming barbarians," Maradona said.

"The public showed themselves to be ignorant and rude. A national anthem has never been whistled at in a World Cup before but now it's happened twice in Italy," he added.

Crowds in both Turin and Milan also whistled and jeered Maradona throughout both matches, different from the adulation he receives in Naples, where he captains Italian club Napoli.

Both World Cup matches were watched by thousands of northern Italians who hate Maradona for leading southern Napoli to the 1990 Italian League title ahead of local giants AC Milan.

Maradona, injured a week ago against Romania, had pain kill-

ing injections before and at half-time of Argentina's shock win over Brazil.

"But the best pain killing injection came afterwards with the goal," he said.

The Argentine captain said the end of the game, when he laid on the goal for striker Claudio Caniggia, was like a film.

"The final part was something out of Hollywood, out of a movie," Maradona said.

Maradona made a surprise visit to the Italian training camp yesterday for a mutual congratulations session.

Maradona brought with him a pile of Argentine shirts and swapped them for a batch of Italy shirts, putting on one of them for good luck before he left the camp in the hill-top town of Marino.

Maradona wished Ciro Ferrara and Fernando de Napoli, team-mates at Italian League champions Napoli, luck in Italy's second round tie against Uruguay last night.

In exchange Italy manager Azeglio Vicini congratulated Maradona for his prowess in setting up Argentina's winning goal against Brazil on Sunday.

The defending champions now will face the winner of the Spain-Yugoslavia clash in trying to move closer toward being the first team in 28 years to win two straight world championships.

"I'm not interested with whom we play," Bilardo said. "For now, I want to enjoy the victory against Brazil."

Bilardo praised the team for its patience, and offered a special accolade for his captain.

Maradona, he said, "goes out to the field almost on one foot, and he plays because he has a spirit of iron."

ROME, June 26. (Reuter) Italy rolled over Uruguay 2-0 with goals from Salvatore Schillaci and Aldo Serena yesterday to earn a place in the last eight of the World Cup.

The Sicilian Schillaci confirmed his status as Italy's new hero with his third goal of the finals in the 65th minute of a match dominated by the home side.

Serena, a second half substitute for midfielder Nicola Berti, pushed the ball to Schillaci through a defender's legs.

Schillaci turned and, fending off two markers, left-footed the ball into the net, over goalkeeper Fernando Alvarez, as the mostly Italian fans in the 73,000-strong crowd at Rome's Olympic Stadium went wild with joy.

Serena was on the scoresheet himself in the 83rd minute, heading home a cross from Giuseppe Giannini to send the crowd into renewed frenzy.

The victory extended Italy's record as the only side not to concede a goal in the finals and earned them a quarterfinal against Ireland in Rome next Saturday.

The only cloud for Italy was the booking of midfielder Berti for a foul on Uruguayan captain Enzo Francescoli in the first half.

Berti, Serena's team mate at Inter, picked up a yellow card in the first round against Czechoslovakia and will automatically be suspended for the quarterfinal.

Coach Azeglio Vicini, marking his 40th match in charge of Italy, took a calculated risk in sending on the untested Serena instead of Gianluca Vialli, once Italy's top striker but off form recently and only just recovered from injury.

The move paid off handsomely.

Serena, celebrating his 30th birthday and making his first appearance at the finals, outjup-

ped his marker Nelson Gutierrez to reach Giannini's free kick.

The stifling temperatures in Rome's Olympic Stadium took its toll on the players.

"The fierce heat made it difficult for us to sustain the rhythm," Vicini said afterwards.

Towards the end Uruguay earned a free kick just outside the area and Italy pulled back everyone except Schillaci.

But their caution proved unnecessary when Francescoli's shot went wide to the left and Italy maintained their record as the only team here not to concede a goal.

Uruguay had beaten Italy twice before in five meetings but on their first round form here never looked likely to be much of a threat.

Coach Oscar Tabarez left top striker Ruben Sosa, whose Lazio club are based at the Olympic Stadium, out of the starting lineup and brought him on only in the 55th minute, in place of Carlos Aguilera, one of four Uruguayans booked.

Aguilera had Uruguay's biggest chance of the first half but ironically it owed much to one of the few mistakes the Italians made.

Italian captain Giuseppe Bergomi turned casually to pass the ball back to goalkeeper Walter Zenga in the 21st minute but Aguilera stole the ball and forced the keeper into a diving save with his shot.

A goal by Roberto Baggio in the 15th minute, with a curving free kick over the wall, was disallowed by English referee George Courtney who had ordered an indirect free kick.

Baggio, who is joining Schillaci at Juventus next season for a world record \$13-million fee, went off in the 78th minute, to the thunderous applause of the crowd, to be replaced by veteran Pietro Vierchowod.



Serena (No. 20) watches his header go past Alvarez. (Reuter wirephoto)

Vicini said afterwards: "This is a small but important step towards achieving our dreams."

"It was a very difficult match, just as we expected. Uruguay were very well organised at the back — they closed us down well."

He said he sent on Serena in the second half in an effort to try something different to break down the South American defence.

"I knew he could trouble them on high balls," he said. "The

result showed it was the right move."

The Italian coach said he hoped Vialli would resume full training today and said he expected injured midfielder Roberto Donadoni to be back in action soon as well.

Uruguayan trainer Tabarez said Schillaci's goal was the killer blow for his team.

"It would have been suicide for us to attack Italy from the start," he said. "We planned to hold them for a while and wait

for them to start making mistakes."

"Unfortunately, the goal came at a bad time and we were never able to get back."

Tabarez was full of praise for the goalscorer. "Schillaci is extremely fast and very explosive. He's fast getting into position and quick with the ball too," he said.

"With his confidence building up after this success, I feel he can really make his mark on this World Cup."



Schillaci (right) and Baggio celebrate the former's goal. (Reuter wirephoto)

Czechs don't fear Germans

We can play a good match: Venglos

BISCEGLIE, Italy, June 26. (AP) Czechoslovakia's coach and players said yesterday they respect but do not fear the strong West German side they'll face in the World Cup quarterfinals.

"West Germany is probably the best team at the tournament so far, but I think we can play a good match against them," coach Jozef Venglos said.

West Germany beat the Netherlands 2-1 on Sunday and now faces Czechoslovakia in a quarterfinal match Sunday in Milan.

Think Venglos said he thought the Germans played "perfectly" in defeating the Netherlands, then added: "But I think they cannot play so well continuously."

"The Colombia match has shown that the Germans are not invulnerable," said Venglos, referring to West Germany's 1-1 first-round draw with Colombia.

Czechoslovakia, meanwhile, has played better than expected

to advance so far in the tournament.

Its qualification for the quarterfinals ended a poor string of results in the World Cup. Czechoslovakia has failed to progress beyond the first round since 1962, when it lost to Brazil in the final.

In its first-round matches, the Czechoslovaks trounced the United States 5-1 and beat Austria 1-0 before losing to host Italy 2-0.

Czechoslovakia then beat Costa Rica 4-1 on Saturday to become the tournament's second-highest scoring team behind West Germany. It has 10 goals compared to West Germany's 12.

Previous matches between the teams have produced some drama. Czechoslovakia won its only championship title in a match against West Germany.

In the 1976 European championships, it beat the Germans in

a penalty shootout in the finals.

"That match is history. Now we have to face today's reality which is. So are we," said Tomas Skuhravy, scorer of three goals against Costa Rica. He is the top World Cup scorer so far with five goals.

Venglos said West Germany could suffer from the expulsion of striker Rudi Voller, who was given a red card in Sunday's match against the Netherlands.

Sunday. Voller automatically cannot play against Czechoslovakia, although West Germany has lodged a formal protest.

Problem A ruling against the suspension would be extremely unusual.

"It is good for us that Voller will not play," Venglos said. "He is one of the key German players. The problem is that they also have good substitutes."

Italians see Schillaci as new Rossi

ROME, June 26. (Reuter) Italian fans, desperate to find a new home-grown hero in a league of foreign stars, are already talking about Salvatore Schillaci in the reverent tones usually reserved for Paolo Rossi.

But Schillaci, Toto to his friends, is trying not to let the attention go to his head.

"I am going through a magical moment," said Schillaci after he scored Italy's opening goal in the 2-0 win over Uruguay yesterday which put them into the quarterfinals.

"I just hope I can keep my feet on the ground," added Schillaci whose World Cup joy was compounded by the birth of his son Mattia during the first round.

Italians are keen to point out that Schillaci, with two goals in the opening three matches, started the World Cup in similar fashion to Rossi, the hero of 1982 when Italy last won the trophy.

Schillaci, 17 at the time, recalled: "I was one of the fans who were out on the street yelling 'come on Italy'."

Little more than a year ago, Schillaci was virtually an unknown, playing in the Italian Second Division.

Then Juventus signed him "and, after a postcard campaign by his fans and intense media pressure, Italian manager Azeglio Vicini gave him his first chance with the national side in March, in a friendly against Switzerland."

But coming into the world Cup, Schillaci still had only one cap and was regarded as little more than the understudy to the more experienced Andrea Carnevale.

Vicini brought Schillaci on as substitute for Carnevale late in Italy's opening Group A match against Austria.

Four minutes later, the 1.74-metre Sicilian had scored, breaking a goalless stalemate.

Now Schillaci, who has created a perfect understanding with Roberto Baggio who will join him at Juventus next season, must surely have guaranteed his place in the side after scoring in the two matches he has started here — against Czechoslovakia and Uruguay.

But Schillaci, determined and aggressive on the pitch, adopts an air of modesty off it.

"I have to thank Juventus who gave me a big chance to prove myself and gave me the experience which got me into the national team," he said.

"I would particularly like to thank my team mates," said Schillaci, adding with more candour: "Being in the news makes me very happy."



Bonner leaps into the air after saving Timofte's penalty shoot (Reuter wirephoto)

alry," O'Leary said. "The other lads want to get their 'out of the way. As it went on I thought the fifth one could be the decider and that's how it worked out, but my nerves were fine."

"I thought of the people of Ireland when I hit it. I didn't want to let them down. It was a fantastic feeling, fairytale stuff. It makes up for all the bad times," added O'Leary, who was left out of the squad for the first two years of Charlton's manager-

ship. Charlton paid tribute to O'Leary's cool composure and patience during his two years out in the cold.

Irish Prime Minister Charles Haughey performed an exuberant jig of delight at the

European Economic Community summit yesterday when Ireland won its penalty shootout.

Leaping for joy in the courtyard of Dublin Castle after watching on television the penalty that propelled Ireland into the quarterfinals, Haughey hugged a television reporter and said "I am absolutely over the moon."

Grimacing from ear to ear as cheers from his countrymen echoed round the castle courtyard, Haughey said "It has been a long, hard day and we have been praying all day and this is it. We are there now."

He managed throughout a long afternoon of talks with fellow EEC leaders to keep up with progress at the match in Genoa.



Charlton kicks the ball during the warm-up for yesterday's game. Right: Romania's Balint (left) and Ireland's Kevin Moran battle for the ball. (Reuter wirephotos)



Charlton kicks the ball during the warm-up for yesterday's game. Right: Romania's Balint (left) and Ireland's Kevin Moran battle for the ball. (Reuter wirephotos)



Maradona, wearing an Italian national soccer team shirt, talks to the press. (Reuter wirephoto)

SPORTS

Italians to deport 247 English fans after Rimini riot

RIMINI, Italy, June 26. (Reuters): Nearly 250 English soccer fans were to be deported from the coastal resort of Rimini today after they attacked Italians and fought police in the worst violence of the World Cup, police said.

Fersini told Reuters 247 fans were expected to be put on a special flight to London later today.

He said they were being held in four separate police stations in the resort after several hours of violence last night in which drunken English supporters fought fierce running battles with police.

The local force had to call in reinforcements from neighbouring towns.

"We were expecting trouble but not violence like this. I might have understood if it had been Italy against England in the World Cup but this has nothing to do with football," Fersini said.

Police said none of the fans had been charged and no Italians had been detained.

Twenty people, including four policemen, were injured and taken to hospital but none was detained.

Fersini said he did not believe all those held were hooligans but all would be deported "because we prefer to take a precautionary line."

The trouble erupted when about 100 English youths cramming the Rose and Crown pub on Rimini's seaford threw bottles, glasses and

chairs at local youths celebrating Italy's 2-0 World Cup win over Uruguay in Rome.

Police fired tear-gas, used baseball bats and whirled handcuffs to keep apart rival groups of English and Italian youths.

Nearby, about 150 Italians besieged the Lord Nelson pub and taunted some 50 English fans inside to come out and fight.

Police fired more tear-gas to clear hundreds of Italian fans chanting "English bastards" who had gathered near the scene of the street battles.

Fifa rejects protest by W. Germany

ROME, June 26. (Reuters): A West German protest over the dismissal of striker Rudi Voeller in Sunday's World Cup match against the Netherlands was rejected by Fifa today.

The decision meant Voeller was automatically suspended from West Germany's quarter-final against Czechoslovakia in Milan on Sunday.

Fifa spokesman Guido Tognoni said a West German appeal against the booking of captain Lothar Matthaus in the same match, won 2-1 by the Germans, had also been turned down.

"Protests can only be made against wrong technical decisions by the referee," Tognoni said. "A question of fact cannot be the subject of a protest. In this case, the referee made no technical fault and the protests are rejected."

He said Fifa had not studied television film of the incidents and had based its decision on the report by match referee Juan Carlos Loustau of Argentina.

Tognoni said Fifa's technical commission would meet tomorrow to decide whether any further sanctions should be imposed on Voeller and Dutch defender Frank Rijkaard, who was sent off with him.

Players shown a red card are automatically banned for one match but Fifa can increase the suspension for serious offences.

Voeller and Rijkaard after a first half clash. The Dutchman spat several times at the West German striker before they went off.

Matthaus was booked later for playing on after the referee had awarded a free-kick.

A West German spokesman described Voeller's dismissal and Matthaus' booking as "two wrong decisions."

Sportscar race

MADRID, June 26. (Reuters): A World Sportscar Championship event scheduled this weekend has been cancelled because of works under way on the Jarama circuit near Madrid, circuit director Jose Angel Serantes said.

Yugoslavs tame Spaniards

Stojkovic scores two goals

VERONA, Italy, June 26. (AP): Dragan Stojkovic scored his second goal of the match in extra time today to lift Yugoslavia to a 2-1 victory over Spain and a place in the quarterfinals of the World Cup.

Stojkovic shot Yugoslavia ahead with 13 minutes remaining in regulation time, but Spanish striker Julio Salinas equalised five minutes later to force extra time.

Midfielder Stojkovic, who will join French club Marseilles after the tournament, clinched the win with a stunning 25-metre free kick in the second minute of extra time.

His curling shot beat both the Spanish wall and goalkeeper Andoni Zubizarreta, who appeared to be at fault.

The loss eliminated Spain, which dominated the match for long periods, but was unable to convert its chances on a sultry afternoon.

Yugoslavia made the last eight in the tournament for the first time in 28 years. It finished fourth in Chile in 1962.

The Yugoslavs now will play defending champion Argentina in the quarterfinals. That match is scheduled for Florence on Saturday.

Stojkovic's first goal was a team effort.

Zlatko Vujovic crossed from the left and the ball was flicked on through the air by Srecko Katanec. Stojkovic, lurking at the far post, eluded a defender and sidefooted the ball home.

The lead was shortlived, however. The dangerous Martin Vasquez got clear on the right and hit a low cross to the far post, where Salinas slid it home.

The goal came only a minute after Salinas had fallen in the penalty area and appealed unsuccessfully for a penalty kick.

After Stojkovic's decisive, the Yugoslavs were content to soak up pressure and risk their luck. It held.

Spain dominated possession in the first half, with Martin Vasquez posing most problems for the Yugoslav defence.

Goalkeeper Tomislav Ivkovic half-saved a Martin Vasquez shot in the eighth minute and Emilio Butragueno hit the rebound across the goal mouth

when the target seemed at his mercy.

At the other end, a minute later, Zubizarreta saved smartly after a shot by striker Darko Panchev.

Spanish midfielder Roberto fired over the crossbar in the 31st minute, but most attacks by both teams tended to break down on the edge of the penalty areas.

Martin Vasquez twice came close to scoring early in the second half, but shot wide on both occasions.

Spain dominated even more but Butragueno first hit a goal-post with a clear header, then had a shot saved by Ivkovic.

Spain threw men forward late in extra time, but the Yugoslav defence held firm.



Vasquez (left) tackles Yugoslavia's Darko Panchev. (Reuters wirephoto)



Spain's Perez Villaroya (right) is blocked by Tancev. (Reuters wirephoto)

Graf and Navratilova score easy victories

WIMBLEDON, England, June 26. (AP): The battle for supremacy in women's tennis began at Wimbledon today with top seeds Steffi Graf and Martina Navratilova posting impressive first-round victories.

Graf, the No. 1 women's player for the last 2-1/2 years who has felt the foundation of her dominance shake in recent weeks, beat West German compatriot Claudia Porwik 6-1, 6-2.

Navratilova, at 33 relatively ancient in the youth-filled women's game, began her quest for a record ninth Wimbledon title with a 6-1, 6-1 victory over Sophie Amiaeh of France.

Fifth-seeded Zina Garrison of the United States also won in straight sets, 6-2, 6-1 over Britain's Samantha Smith. But the men's fifth seed, newly crowned French Open champion Andre Agassi, was eliminated by Jim Grabb of the United States 6-4, 6-2, 6-2.

Gomez said he was tired and unprepared for the switch from clay to grass.

Also out was seventh-seeded Tim Mayotte, a quarterfinalist last year but a first-round loser this time to Gary Muller of South Africa, 4-6, 7-6, 7-5, 6-3.

Graf lost to Seles in the women's championship at the French Open and that, on top of another recent loss to the young

Yugoslav, had people talking about an end to the West German's reign as No. 1.

But against Porwik, Graf looked as solid as ever, needing just 51 minutes on centre court to win.

Porwik never had a break point until the final game of the match and Graf had her forehand turned up high. Her slice backhand, a liability on the clay courts of Paris, turned into a weapon on the Wimbledon grass.

In her first three service games of the second set, Graf allowed just three points. When Porwik reached 15-40 in the eighth game, on a double fault, Graf saved the two break chances on three Porwik errors and a backhand winner down the line.

"I was happy to get on a grass court, a fast court," Graf said.

On court 1, Navratilova needed six minutes less time than Graf to beat Amiaeh. The Frenchwoman saved three break points in the first game before Navratilova finally broke, and took a service game off the second set to make it 3-1 on a double fault. But Navratilova broke right back and broke again at love for the set on a backhand long.

The second set was even more one-sided. Amiaeh never got more than two points against Navratilova's serve and the Czechoslovak-born US resident was all over the court, following blistering serves and forehands with delicate touch volleys and lobs.

All the while, it seemed, Navratilova was having a great time, exchanging smiles and applause with her opponent.

"I was tickled that all the work was done and now I can just enjoy the ride," she said.

Gomez became just the fourth reigning French Open champion to lose in the first round at Wimbledon since the open era began in 1968. Grabb, ranked 49th in the world and a first-round loser

here a year ago, controlled all the way — right from a Gomez double-fault on the first point.

Results

5-Zina Garrison (US) beat Samantha Smith (Britain) 6-2, 6-1. Nicole Pietrangeli (Australia) beat Veronica Martinek (West Germany) 6-1, 6-0. Julie Halard (France) beat Kathy Jordan (US) 7-5, 6-2. Miloslav Mezir (Czechoslovakia) beat Tomas Carbonell (Spain) 6-4, 6-4, 6-1. Mark Kratzmann (Australia) beat Cassio Robertson (South Africa) 7-6 (7-2), 6-4, 3-6, 4-6, 6-4. Jason Stoltenberg (Australia) beat Todd Woodbridge (Australia) 6-3, 7-5, 7-6 (7-2). 1-Steffi Graf (West Germany) beat Claudia Porwik (West Germany) 6-1, 6-2. 2-Martina Navratilova (US) beat Sophie Amiaeh (France) 6-1, 6-2. Magdalena Maleeva (Bulgaria) beat Catarina Lindqvist (Sweden) 6-7 (3-7), 6-4, 6-2. Susan Sloane (US) beat Linda Ferrando (Italy) 1-6, 7-6 (7-3), 6-3. Regina Rajchrtova (Czechoslovakia) beat Audra Keller (US) 7-5, 6-7 (2-7), 6-4. Jim Pugh (US) beat Jan Gunnarsson (Sweden) 6-3, 1-5, 7-6, 3-6, 4. Chris Bailey (Britain) 6-4, 6-4, 6-2. Sergio Bruguera (Spain) beat Andrew Castle (Britain) 6-7 (2-7), 6-4, 6-3, 6-1. Mark Woodforde (Australia) beat John Fitzgerald (Australia) 7-5, 6-2, 6-4. 13-Roslyn Fairbank (South Africa) beat Renata Baranski (Poland) 6-2, 3-6, 6-2. 13-Jana Novotna (Czechoslovakia) beat Laura Golarsa (Italy) 3-6, 7-5 (7-4), 6-2. Carrie Cunningham (US) beat Belinda Borneo (Britain) 4-6, 6-2, 1-6, Donna Fisher (US) beat Renee Stubbs (Australia) 5-7, 7-5, 6-6. Anne Minter (Australia) beat Julie Salom (Britain) 6-2, 6-2. Gary Muller (South Africa) beat 6-Tim Mayotte (US) 4-6, 7-6 (7-1), 7-5, 6-3. Milana Sejber (Czechoslovakia) beat Richey Reneberg (US) 6-7 (6-8), 3-6, 7-6 (7-4), 6-3, 6-2. Bryan Shelton (US) beat Thomas Hogstedt (Sweden) 7-6 (7-3), 5-7, 7-6 (7-2), 6-4. Claudia Kohde-Kilsch (West Germany) beat Mercedes Paz (Argentina) 4-6, 6-1, 6-1. Nicole Pietrangeli (Australia) beat Radka Zrubakova (Czechoslovakia) 6-4, 6-1. Amy Frazier (US) beat Isabelle Demongot (France) 6-1, 6-4. Meredith McGrath (US) beat Elena Brionkhovets (Soviet Union) 6-1, 6-2.

McEnroe out

WIMBLEDON, England, June 26. (AP): John McEnroe was blown out of Wimbledon today, his earliest exit from the tournament he won three times.

McEnroe showed some of his old temper but not his old tennis. He argued line calls but hit too few lines, and was eliminated in the first round by Derrick Rostagno, a long-haired 25-year-old from the United States ranked 129th in the world, 7-5, 6-4, 6-4.

Motta (Brazil) 6-2, 6-1, 6-3. Jim Grabb (US) beat 5-Andre Gomez (Ecuador) 6-4, 6-2. Udo Riglewski (West Germany) beat Veli Palomeino (Finland) 6-4, 7-5, 3-6. Jens Weinmann (West Germany) beat Brian Garrow (US) 6-4, 6-4, 6-4. Alex Antonitsch (Austria) beat Michael



Henri Leconte of France wills himself on against Simon Youl on Tuesday, the first day of Wimbledon. Leconte won. (Reuters wirephoto)

Cameroon squad: Cameroon's Soviet trainer Valeri Nepomniachi gave his soccer squad a day off Monday and spent the day fulfilling a promise to his daughter in the Soviet Union. "Before I left, when she heard I was coming to Italy for the World Cup she made me promise to buy her a pair of Italian shoes," Nepomniachi told reporters. "I have kept that promise." Cameroon's players also spent the day shopping in Bari, the southern Italian city where they have been based since the group arrived in Italy for the World Cup.

Ticket arrangements: More than 15,000 fans overcame chaotic ticket arrangements in order to support Ireland in its second round match against Romania. After two days of wrangling with Italian organizers, the Irish Football Association haggled a 50 per cent price reduction on some of the Genoa Stadium's most expensive seats, allowing most supporters to be admitted to the Luigi Ferrari stadium.

Penalty kicks: Fifa, the world soccer authority, has ruled that tie-breaker penalty kicks taken in the event of a draw after extra time, can only be taken by players who are still on the pitch. Fifa spokesman Guido Tognoni said reports that substituted players could come off the substitution benches to take penalty kicks were "incorrect."

Aldridge injured: John Aldridge is almost certain to miss Ireland's World Cup quarter-final against Italy on Saturday. The striker hobbled out of Monday's penalty shoot-out victory over Romania after aggravating a calf injury and said: my chances of playing are remote. "I got a kick on the calf against Holland but I had had treatment on it and there was no problem in training. But after 20 minutes I started feeling something down there. I thought it was just a tired muscle and carried on playing. Then, all of a sudden, it just went and I couldn't run on it."

Skuhravy joins Genoa: Czechoslovakia's Tomas Skuhravy, the World Cup's top goalscorer, has signed a three-year contract with Italian First Division club Genoa, the club said yesterday. A Genoa spokesman said Skuhravy, who has scored five times to put Czechoslovakia through to the World Cup quarterfinals, would join the club next season. The spokesman declined to say how much the transfer, agreed with Skuhravy's Sparta Prague, was worth.

Fisherman's calm: Jack Charlton, whose passion for angling matches his love for football, brought his river bank calm to the World Cup on Monday as Irish soccer experienced its tensest 15 minutes ever. With Ireland involved in a heart-stopping penalty shoot-out against Romania, manager Charlton simply leaned on the dugout smoking a cigar as though he was taking a break between casts of his fishing line. After Ireland edged past Romania 5-4 and the 31,000 crowd breathed again, the hero of England's 1966 World Cup said: "I quite enjoyed watching the shoot-out. I watched it on the big screen at the ground and I don't think I've ever been so calm for a long while."

Irish squad: Ireland's World Cup soccer squad left its idyllic retreat on the Italian Riviera yesterday for its quarterfinal against Italy in Rome — a clash the Irish consider their "World Cup final." "Whatever happens next is a bonus," said David O'Leary. "But as far as we are concerned, the World Cup final takes place in Rome on Saturday."

Johansson shocked: Europe's top soccer official said Tuesday that rioting by English fans in Italy overnight dealt a setback to plans for the speedy return of English clubs to tournaments on the continent. The report of English riots in Rimini "is terrible news to me... this turns the clock back," said Lennart Johansson, the Swedish president of the European Soccer Federation Uefa. He spoke by telephone with the Associated Press from his boat in the Swedish archipelago.



Van Basten returns home

The Netherlands' Marco van Basten arrives back in Amsterdam after the Dutch were knocked out of the tournament on Sunday. (Reuters wirephoto)



Maradona still not fit

Argentina's Diego Maradona talks with reporters while wearing a bandage on his bruised left ankle. Maradona had not recovered from his injury and did not practice with his team. (Reuters wirephoto)

Security cordon: Police surrounded Dall'ara stadium with a security cordon yesterday in an attempt to prevent fan violence during the England-Belgium World Cup second-round match. Hundreds of Carabinieri paramilitary police stood guard, equipped with pistols, truncheons and visored riot helmets. Anyone without a ticket or media pass was prevented from approaching the building.

Help needed: The gods must be on your side if you want to beat hosts Italy in the World Cup, West Germany's Franz Beckenbauer said yesterday. "If they can maintain this condition and form, they are unbeatable," Beckenbauer said after Italy beat Uruguay 2-0 to chalk up their fourth straight win. "They've played four times and conceded no goals — that's a dream. We've played four times and each time we've conceded a goal — that's a nightmare."

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